

2021

Annual
Report



Department of
Financial Institutions



Tennessee Department of Financial Institutions

STATE FISCAL YEAR JULY 2020 – JUNE 2021

Tennessee Department of Financial Institutions | February 2022



Bill Lee

Governor of Tennessee



A MESSAGE FROM COMMISSIONER GREG GONZALES

I am pleased to present the 47th Annual Report of the Department of Financial Institutions.

The Department regulates banks, credit unions, trust companies, business and industrial development corporations, industrial loan and thrift companies, insurance premium finance companies, mortgage lenders, brokers, servicers and originators, title pledge lenders, check cashers, deferred presentment services companies, money transmitters and flexible credit act lenders.

We play a vital role in regulating and supporting the financial services industry and ensuring that Tennessee financial institutions remain fiscally strong and comply with governing authority.

The Department's mission is to ensure a safe and sound system of state-chartered institutions for Tennessee citizens, while giving institutions the opportunity to contribute to economic progress. In short, we seek to find balanced regulation. The condition of the Tennessee banking system continues to be strong, even after two years of pandemic concerns and economic uncertainty. Tennessee state-chartered depository institutions remain well positioned to continue serving their communities.

Tennessee banks and other institutions have served their customers and communities well through Paycheck Protection Program loans, loan modifications, adjusted office space and hours to protect the public, among other efforts. The Department initially paused examinations to allow financial institutions to focus efforts on customers. Examinations were resumed completely offsite.

Although continued consolidation among financial institutions is anticipated in 2022, total loans and assets continue to increase, and the complexity and breadth of operations continue to significantly grow. Growth in the state banking and trust industries has been unprecedented. The state banking system by asset size basically doubled from 2011 to June 30, 2019. The conversion of First Horizon Bank in October 2019 to a Tennessee state bank essentially doubled the state bank industry again by 2020. The Tennessee state bank and trust systems are expected to continue to increase in 2022.

The Department is not recommending legislation in 2022.

The Tennessee banking system is critical to the state's economic vitality. The Department continues to develop and implement its Regulatory Balance mission for depository institutions. Department



examiners seek to right-size regulation to the merits of each institution and avoid a one-size-fits-all approach in order to support the Governor's economic goals for Tennessee.

The Department's balanced regulatory approach supports economic progress; and in particular, helps rural institutions support their local communities. With the unprecedented growth in the banking system, the Department continues to focus on creating more experience in the examiner ranks through focused training and retention strategies.

With respect to non-deposit companies, the Department has established a risk-focused examination program that creates a risk profile on licensed locations so that we can focus more resources on companies that are high risk. The goal is to improve the risk profile and operations of non-deposit companies by sharing risk assessment information with each licensee.

To support the efficient and effective regulation of financial institutions, the Department implemented Alternative Workplace Solutions (AWS) to reduce the office space that the Department is assigned by nearly 75%, avoiding over \$400,000 in annual cost. 100% of Department staff are now working primarily from home in response to COVID-19. The AWS expectation is to better retain employees and create more experience to further support finding regulatory balance. Additional office space reduction in Nashville is planned to create additional savings.

Our experience indicates that financial literacy is one of the keys to dealing with the economic issues facing us today. The Department has initiated a number of activities in recent years. Public service announcements, workshops, consumer alerts, panel discussions and an effort to reach Tennessee teachers and students were all a part of this effort. In recent years, working with a variety of partners to deal with elder financial exploitation has become an important initiative of the Department. I serve on the board of the Tennessee Financial Literacy Commission. The purpose of this Commission is to equip Tennesseans to make sound financial decisions when it comes to planning, saving, and investing. A financially literate public is a key factor in establishing a safe and sound system of financial institutions.

Throughout this report, you will find additional information related to the work of this agency, as well as the condition of the entities the Department regulates. As you read this report, you will notice that Tennessee remains a premier state for banking, trust, and financial services companies. On behalf of the employees of the Department, this report is respectfully submitted.

Sincerely,



Greg Gonzales

TABLE OF CONTENTS

<i>A Message from Commissioner Greg Gonzales</i>	3
STATEMENT OF PURPOSE	7
Commissioner Gonzales' Biography	8
Department Overview	9
Administrative Division	10
FISCAL OVERVIEW	10
CYBERSECURITY	12
HUMAN RESOURCES AND TRAINING	13
LEGAL DIVISION	14
CONSUMER RESOURCES	17
CONSUMER PROTECTION	17
CONSUMER EDUCATION	21
Bank Division	22
BANK APPLICATION ACTIVITIES FY 2020-2021	25
INFORMATION AT A GLANCE (AS OF JUNE 30, 2021)	26
BUSINESS AND INDUSTRIAL DEVELOPMENT CORPORATION (BIDCOS)	26
Compliance Division	27
REGULATORY OVERSIGHT	27
RISK-FOCUSED EXAMINATION PROGRAM	28
CHECK CASHING COMPANIES	28
DEFERRED PRESENTMENT SERVICES PROVIDERS	29
FLEXIBLE CREDIT LENDERS	29
HOME EQUITY CONVERSION MORTGAGE LENDERS	30
INDUSTRIAL LOAN AND THRIFT COMPANIES	30
INSURANCE PREMIUM FINANCE COMPANIES	31
MONEY TRANSMITTERS	31
RESIDENTIAL MORTGAGE BROKERS, LENDERS AND SERVICERS	32
RESIDENTIAL MORTGAGE LOAN ORIGINATORS	33
TITLE PLEDGE LENDERS	33

Credit Union Division	35
CREDIT UNION TRANSACTIONS	37
Data Appendix	39
CONSUMER RESOURCES	39
Appendix A: Total Complaints by County	39
BANK DIVISION	40
Appendix B: BUSINESS AND INDUSTRIAL DEVELOPMENT CORPORATION (BIDCOS)	40
Appendix C: TENNESSEE STATE-CHARTERED BANKS CONSOLIDATED BALANCE SHEET (IN MILLIONS)	40
Appendix d: TENNESSEE STATE-CHARTERED BANKS CONSOLIDATED BALANCE SHEET (IN MILLIONS)	41
Appendix E: TENNESSEE STATE-CHARTERED BANKS CONSOLIDATED INCOME STATEMENT (IN MILLIONS)	41
Appendix F: TENNESSEE STATE-CHARTERED BANKS SUMMARY OF INDIVIDUAL BANKS (IN THOUSANDS)	42
Appendix G: TENNESSEE STATE-CHARTERED TRUST COMPANIES CONSOLIDATED INCOME STATEMENT (IN THOUSANDS)	46
Appendix H: TENNESSEE STATE-CHARTERED TRUST COMPANIES STATEMENT OF CONDITION (IN THOUSANDS)	51
Appendix I: TENNESSEE STATE-CHARTERED TRUST COMPANIES CONSOLIDATED INCOME STATEMENT (IN THOUSANDS)	51
Appendix J: TENNESSEE STATE-CHARTERED TRUST COMPANIES STATEMENT OF CONDITION (IN THOUSANDS)	52
COMPLIANCE DIVISION	53
Appendix K: CHECK CASHING STATEMENT OF INCOME AND EXPENSES	53
Appendix L: DEFERRED PRESENTMENT ANNUAL REPORT INFORMATION FOR CALENDAR YEAR ENDING DECEMBER 31, 2020	53
Appendix M: FLEXIBLE CREDIT ANNUAL REPORT INFORMATION FOR CALENDAR YEAR ENDING DECEMBER 31, 2020	55
Appendix N: INDUSTRIAL LOAN AND THRIFT COMPANIES COMPOSITE ANNUAL REPORT YEAR ENDING DECEMBER 31, 2020	56
Appendix O: TITLE PLEDGE ANNUAL REPORT INFORMATION FOR CALENDAR YEAR ENDING DECEMBER 31, 2020	57
CREDIT UNION DIVISION	58
Appendix P: TENNESSEE STATE-CHARTERED CREDIT UNIONS' KEY RATIOS	58
Appendix Q: TENNESSEE STATE-CHARTERED CREDIT UNIONS CONSOLIDATED BALANCE SHEET	60
Appendix R: TENNESSEE STATE-CHARTERED CREDIT UNIONS CONSOLIDATED INCOME STATEMENT	63
Appendix S: TENNESSEE STATE-CHARTERED CREDIT UNIONS GROUPED BY ASSET SIZE	64
Appendix T: TENNESSEE STATE-CHARTERED CREDIT UNIONS' ASSETS As of June 30, 2021	65



STATEMENT OF PURPOSE

OUR MISSION:

The primary statutory mission of the Department of Financial Institutions is to provide the people of Tennessee with a safe and sound system of banks and other institutions by ensuring safety and soundness and compliance with governing law, while giving institutions the opportunity to contribute to the economic progress of Tennessee and the nation. Furthermore, with respect to non-deposit companies, our mission is to seek the greatest access to credit for consumers within the bounds of the law and prudent operations by licensed companies.

OUR VISION:

Our vision is the establishment of a regulatory program that provides for a sound state financial services system within which institutions have the opportunity to succeed and serve their communities by encouraging commerce while there is strong enforcement of laws and regulations to protect citizens.

COMMISSIONER GONZALES' BIOGRAPHY

Greg Gonzales is the 18th commissioner of the Tennessee Department of Financial Institutions, who began serving in this role in 2005, and was reappointed by Governor Bill Lee. He has served in the Department since 1986. In this position, Gonzales serves as Tennessee's chief regulatory officer of all state-chartered depository and licensed non-depository financial institutions. Additionally, he has served as assistant commissioner and general counsel for the Department.

Commissioner Gonzales served on Governor Lee's Economic Recovery Group, a public-private partnership that prioritized connection, collaboration, and communication across industries, the medical community and state government to safely reboot Tennessee's economy. Gonzales is a past Chairman of the Conference of State Bank Supervisors (CSBS), which is the professional organization of state banking commissioners in the United States. Commissioner Gonzales, for several years, served as a member of the Board of Directors of the Money Transmitter Regulators Association (MTRA), an organization of a majority of the states that regulates funds transfer companies. He served as Chairman of the State Liaison Committee that incorporates the state supervisory perspective into the Federal Financial Institutions Examination Council (FFIEC). The FFIEC affects regulatory guidance on all depository financial institutions in the United States. He serves on the U.S. Treasury's Bank Secrecy Act Advisory Group. Commissioner Gonzales currently serves on the Board of Directors of the Tennessee Financial Literacy Commission and the Tennessee Collateral Pool Board.

Commissioner's Office

Greg Gonzales,
Commissioner
Alica Owen, Executive Assistant /
Scheduler / Public Information
Officer / Webmaster
Josh Robertson, CISA, CRISC, MBA,
Chief Administrator -
Regulatory Cybersecurity
Jack M. Williams, CIA, CRMA, Internal
Audit Director
Ronnie Rogers-Sirten, EAA3 /
HR Liaison / Social Media
Coordinator

Commissioner Gonzales was born in Cookeville, Tennessee and graduated Cum Laude in Cursu Honorum with a bachelor's degree from Tennessee Technological University in 1980. Gonzales served as a research assistant in 1980 to Sir Patrick Cormack, a Conservative Party member of the British Parliament. He earned a law degree from the University of Tennessee in 1984.

DEPARTMENT OVERVIEW

TOTAL NUMBER OF STATE-CHARTERED INSTITUTIONS WITH TOTAL ASSETS UNDER SUPERVISION

Charters	Commercial Bank / Savings Banks	Trust Companies	Credit Unions / Corporate Credit
As of 6/30/20 Total Assets	123 \$153B	15 \$55B	80 \$15B
As of 6/30/21 Total Assets	119 \$201B	16 \$85B	77 \$17B

TOTAL NUMBER OF LICENSED OR REGISTERED NON-DEPOSITORY FINANCIAL INSTITUTIONS AND INDIVIDUALS

LICENSEES/REGISTRANTS	June 30, 2020	June 30, 2021
Business and Industrial Development Corporations	2	2
Check Cashing Companies	543	547
Deferred Presentment Services Providers	771	702
Flexible Credit Lenders	693	677
Insurance Premium Finance Companies	41	42
Industrial Loan and Thrift Companies	1,097	1,093
Money Transmitters	146	157
Mortgage Companies	769	902
Mortgage Loan Originators	13,901	20,255
Title Pledge Lenders	651	539
TOTAL NUMBER OF LICENSEES/REGISTRANTS	18,614	24,916

TOTAL REFUNDS TO CONSUMERS PER INDUSTRY

LICENSEES / REGISTRANTS	TOTALS
Check Cashing Companies	\$2,737.89
Deferred Presentment Services Providers	\$894.63
Flexible Credit Lenders	\$38,783.13
Mortgage Companies	\$76,401.32
Industrial Loan and Thrift Companies	\$473,625.95
Insurance Premium Finance Companies	\$135.00
Title Pledge Lenders	\$31,317.28
TOTAL REFUNDED	\$623,895.20

ADMINISTRATIVE DIVISION

The Administrative Division manages the Department’s budget and oversees fiscal services, human resources, training and development, legal, information systems, and consumer resources. Therefore, the Administrative Division provides support to the three regulatory divisions.

FISCAL OVERVIEW

2021 FUNDING SOURCES

The Department of Financial Institutions receives no federal or state taxpayer funds and is fully funded by the fees assessed to the financial institutions regulated and supervised by the Department.

In addition to the 2021 revenue source chart, in late FY2012, the Department received one-time settlement funds totaling \$1,000,000 from a nationwide settlement. On June 30, 2021, the remaining balance of these funds totaled \$361,100 and was carried forward to FY2021. Also, \$68,500 of the unexpended FY2021 budget was carried forward to fund the Department’s Information Systems (IT) projects.



**Includes \$3,222,844 of bank assessments that was rebated to state banks.*

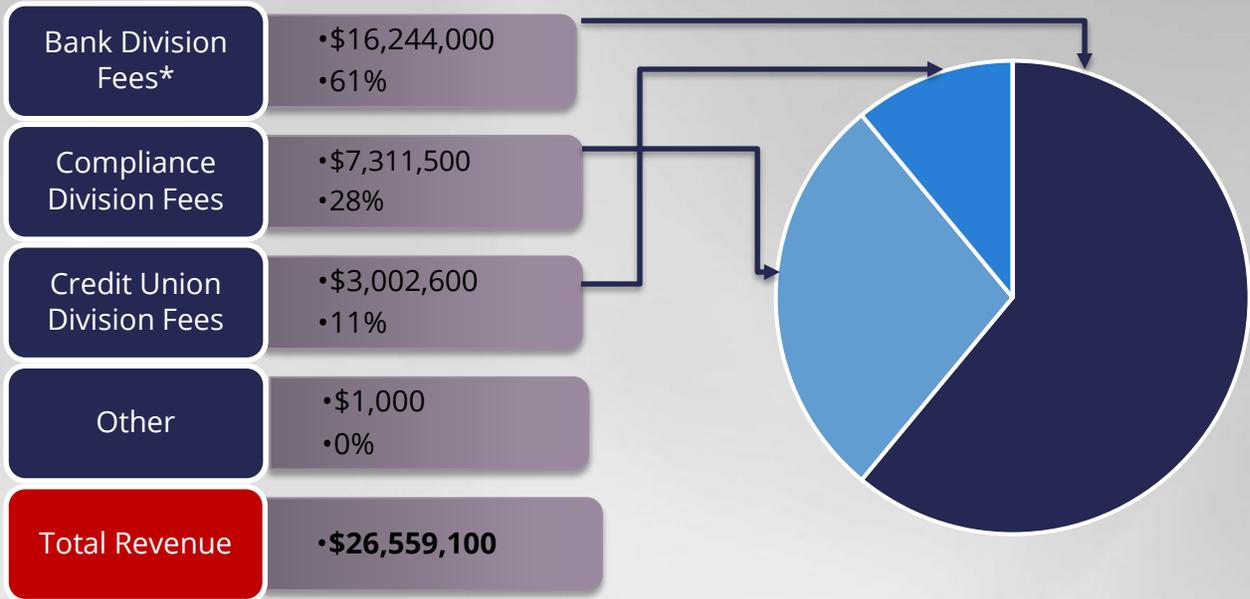
The Department’s regulatory oversight includes:

- State-Chartered Banks
- State-Chartered Credit Unions
- Business and Industrial Development Corporations (BIDCOs)
- Trust Companies
- Check Cashing Companies
- Deferred Presentment Services Providers
- Flexible Credit Lenders
- Industrial Loan and Thrift Companies
- Insurance Premium Finance Companies
- Money Transmitters
- Residential Mortgage Lenders, Brokers and Servicers
- Mortgage Loan Originators
- Title Pledge Lenders

Fiscal

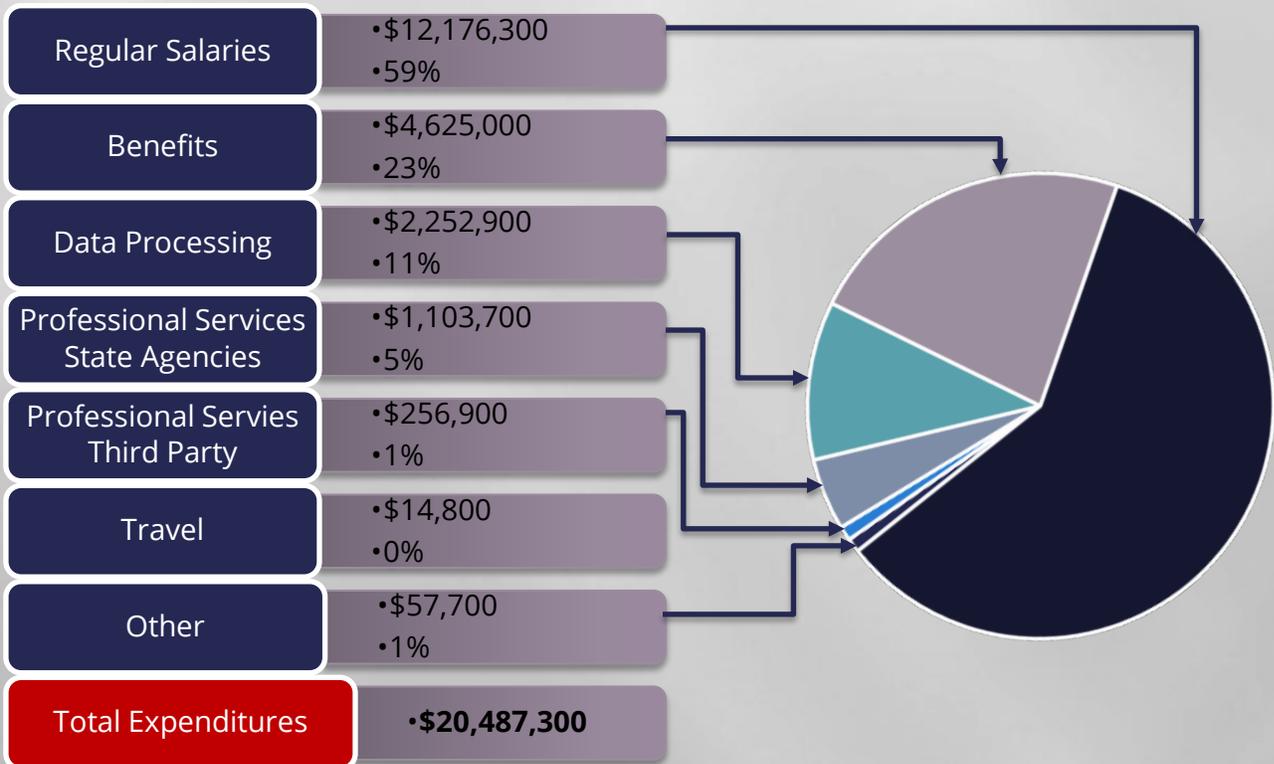
Michelle Berry, CPA,
Assistant Commissioner / COO
Tommie Pendergrass, CPA,
Fiscal Operations & Administrative
Support Analyst
James Stack,
Budget Analyst
Gina Tarolli,
Administrative Services Manager

2021 Funding Sources



*Includes \$3,222,844 of bank assessments that was rebated to state banks

2021 Expenditures



CYBERSECURITY

Since 2016, the Department has conducted cyber awareness exercises annually with state-chartered financial institutions to help build awareness and strengthen our partnerships throughout the state system. In 2021, the Department continued this commitment to increase cyber maturity and awareness within the state financial system through various initiatives. The following details the Department's efforts for 2021.

Two exercises were developed and executed this year and took place in early August. The first exercise took place August 5th in partnership with the Tennessee Emergency Management Agency (TEMA) and focused on the Department's internal policies and procedures regarding a ransomware attack that significantly impacted a state-chartered financial institution. The second exercise took place August 6th, with 82 banks, credit unions, and public trust companies throughout the state participating. This exercise was designed to focus on financial institutions' policies and procedures regarding a statewide cyber event and natural disaster that affected the ability of institutions to serve their customer base throughout the state. This was the first exercise of its type involving a state regulatory agency. Both exercises were very successful and well received by all involved.

This new group is tasked to bring greater awareness around current and emerging cyber threats to state-chartered financial institutions throughout the state.

Additionally, the Department continued its participation with the IT Advisory Committee within the Conference of State Bank Supervisors (CSBS) and participated in the Future of Supervision Work Group. This group is tasked with identifying priorities regarding improvements in the IT supervision process within state banking systems around the nation. One of these priorities was to increase the IT resources involved in the IT examination process. This is an effort the Department has been proactively working on since 2020, culminating with the establishment of an enhanced Department IT group in 2021. This new group is tasked to effectively assess the IT systems of institutions as well as bring greater awareness around current and emerging cyber threats to state-chartered financial institutions.

CYBERSECURITY

Josh Robertson, MBA, CISA, CRISC,
Chief Administrator

In the coming year, additional efforts will be focused on enhancing examiner training and risk identification, focusing on measures to help reduce regulatory burden and ensure our examination program keeps pace with the ever-evolving cyber landscape.

HUMAN RESOURCES AND TRAINING

The Human Resources and Training Section in the Department's Administrative Division coordinates and provides customer service to employees on matters related to benefits, time and labor processing, policy clarification, personnel file management, recruitment and hiring, performance management, employee relations, worker's compensation, Family Medical Leave, ADA/AA Accommodations and other matters related to an employee's welfare and/or job performance. In addition to supporting Department employees, the Human Resources Liaison works collectively with Department management and leadership to provide reports and data related to turnover, demographics, staffing, leave accruals and other information related to personnel and staffing. The Section also works with management to establish appropriate position classifications to ensure the Department maintains a qualified, experienced staff able to carry out the Department's regulatory responsibilities. On January 21, 2020, the Department entered into a Memo of Understanding (MOU) with the Department of Human Resources. This MOU allows the DOHR-Business Solutions unit to serve as the Department's Human Resources and Training Division through shared services.

DOHR-Business Solutions has several Certified Learning Facilitators available for training staff and management related to policies as well as Department of Human Resources curricula. Having this relationship has afforded the Department greater flexibility to ensure staff and management are able to participate in required and requested training in a manner that can accommodate regulatory and examination responsibilities.

The Department's Alternative Workplace Solutions (AWS) program continues to be successful, and the department continues to work with STS to introduce and enhance new technology. Prior to the COVID-19 Pandemic, only fourteen (14) Department employees were permanently assigned to work daily in the Nashville office. 90% of the Department's employees were classified as either mobile workers or work from home. In response to the COVID-19 Pandemic, all Department employees are now converted to an AWS-work from home setting, and the mobile examination workforce is completing required examinations in a remote environment. Implementation of AWS has reduced office expenses, decreased employee travel and parking in the Nashville area as well as increased productivity. The ability to work at home has resulted in lower utilization of sick leave as well as enabled staff to work at home in lieu of utilizing Administrative Leave with Pay when inclement weather has resulted in the closing of state offices.

Human Resources

Ronnie Rogers-Sirten, HR Liaison

LEGAL DIVISION

The Legal Division provides legal advice and representation for the Department. It is comprised of a General Counsel, eight (8) staff attorneys and one Legal Assistant.

The Department's Legal Division advises the Commissioner and Department personnel in all legal matters affecting the Department. The Legal Division works closely with regulated entities and the general public in addressing legal issues. The Legal Division also works with the Governor's Office and the Tennessee General Assembly on legislative issues affecting financial institutions.

The Legal Division represents the Department in all administrative enforcement actions initiated by the various divisions in the Department. The Legal Division also assists in the coordination of enforcement initiatives with other federal and state regulators as well as with various law enforcement agencies.

The Legal Division was heavily involved in the 2021 legislative session by analyzing and tracking bills, working closely with the Governor's Office, the General Assembly, and other groups sponsoring legislation which impacted the Department. The Legal Division also provided assistance to the Department on a myriad of legal issues, ranging from issues pertaining to bank, trust company and credit union applications and operations, consumer lenders, including



industrial loan and thrift companies, title pledge lenders, deferred presentment services providers, and flexible credit lenders, to issues involving mortgage companies, mortgage loan originator registration, money transmitter licensing, and check cashers, as well as other areas requiring legal expertise.

Throughout the Covid-19 pandemic, the Legal Division has worked remotely and has provided legal support to the Department to help enable other Divisions in the Department to work remotely as well.

Legal

Marsha Anderson,
General Counsel

Denise Cole,
Deputy General Counsel

Paula Cagle,
Executive Admin. Assistant

Assistant General Counsel

Sarah Branch Daniel Espensen

Rachel Gatlin Mark Kilpatrick

Troy McPeak

Eric Rogers, Chief Legal Counsel-
Compliance Division

Todd Staley, Legislative Liaison /
Assistant General Counsel

2021 LEGISLATION

Public Chapter 43 – Amends T.C.A. Title 4, Chapter 29

Effective Date: March 29, 2021

Public Chapter 43 extends the Department's sunset date to June 30, 2025.

Public Chapter 78 – Amends T.C.A. Title 45, Chapter 2, Part 6

Effective Date: March 31, 2021

Public Chapter 78 amends T.C.A. § 45-2-607(b)(1) of the Tennessee Banking Act by changing, from six (6) months to twelve (12) months, the period within which a bank must sell property, other than real property, acquired in satisfaction of a loan.

Public Chapter 91 – Amends T.C.A. Title 45, Chapter 5, Part 4

Effective Date: July 1, 2021

Public Chapter 91 makes the following changes to certain charges permitted to be charged by registrants under the Industrial Loan and Thrift Companies Act:

- Amends T.C.A. § 45-5-403(a)(1)(A) by increasing the amount registrants may charge as a service charge from four percent (4%) to five percent (5%) of the total amount of the loan. Amends references to this service charge in T.C.A. § 45-5-403(a)(1)(B), § 45-5-403(a)(2), and § 45-5-403(a)(8).
- Amends T.C.A. § 45-5-403(a)(5)(A) by increasing the amount of the installment maintenance fee that a registrant may charge a borrower to five dollars (\$5.00) per month regardless of the amount of the loan.
- Adds a new subdivision to T.C.A. § 45-5-403(b), which provides alternative loan charges to those allowed under T.C.A. § 45-5-403(a). Specifically, Public Chapter 91 permits registrants to charge a closing fee in an amount up to four percent (4%) of the amount financed but not more than \$50. The closing fee would be in addition to other charges currently permitted. Additionally, Public Chapter 91 requires registrants to refund or credit a pro rata portion of the closing fee to the borrower if the loan is prepaid in full within ninety (90) days of the date of the loan; however, the registrant may retain up to \$25 of the closing fee regardless of when the loan is prepaid.

Public Chapter 283 – Amends T.C.A. Title 45, Chapter 2, Part 6
Effective Date: April 30, 2021

Public Chapter 283 amends T.C.A. § 45-2-601 of the Tennessee Banking Act to allow the Commissioner to waive or modify the requirement that a state bank, when exercising powers or engaging in activities permissible for a national bank, do so upon the terms and conditions applicable to a national bank. Public Chapter 283 also authorizes the Commissioner to permit a state bank to exercise any incidental power or engage in any incidental activity that is reasonably necessary to enable the state bank to exercise a power or engage in an activity permissible for a national bank.

Public Chapter 283 also requires the Commissioner to publish summaries of all approved waivers, modifications and incidental powers and activities under the section and permits all state banks to exercise powers and engage in activities as specified in these summaries, upon the same terms and conditions.

Public Chapter 464 – Amends T.C.A. Title 71, Chapter 6, Part 1
Effective Date: May 18, 2021

Public Chapter 464 amends the Tennessee Adult Protection Act by reinstating the elder abuse task force created by Public Chapter 135 of the Acts of 2019 and setting January 15, 2022 as the date by which the task force must submit its findings and recommendations related to elder financial exploitation to the governor and General Assembly.

RULEMAKING

No rules or amendments were adopted in 2021.

CONSUMER RESOURCES

The Consumer Resources Section reviews and tracks consumer complaints, fosters community outreach, and encourages financial education in Tennessee. The consumer complaint process helps provide insight into the operations of financial institutions that the Department regulates.

Since the development of the Consumer Resources Section in 2004, the Section has processed over 8,300 consumer complaint files and has achieved \$820,824.87 in total refunds or waived fees through the consumer complaint process.

The Section managed a total of 385 formally filed consumer complaints throughout calendar year 2021.

CONSUMER PROTECTION

The Section's key responsibility is to receive and process consumer complaints. The Department is the primary state agency that processes consumer concerns and complaints involving financial institutions operating under the various laws within the jurisdiction of the Department. If the Department receives a consumer inquiry or complaint involving an issue or entity that does not fall within our jurisdiction, those inquiries or complaints are forwarded to the appropriate agency and the consumer is advised accordingly.

The Section serves as an intermediary between the consumer and the financial institution against which the complaint is filed. In general, the Section's practice is to send the consumer's written complaint to the financial institution for response. The standard is to allow the financial institution 15 business days to furnish their reply to both the complainant and the Department, making the entire consumer complaint review process on average approximately 32 calendar days. In 2021, the average processing time of all complaint files reviewed was 10.76 calendar days, which is a 6.76% improvement from the 2020 consumer complaint process. Additionally, 94.03% of all complaints received and reviewed were finalized in 32 calendar days or less, which is slightly less than the 94.99% achieved in the 2020 calendar year.

The Section processed a total of 385 formally filed consumer complaints throughout calendar year 2021. This is an 8.11% decrease in total complaint volume from 2020. These complaints were received from residents of 61 of the state's 95 counties. A total of 69 (17.92%) complaints were filed by out of state residents. Additionally, of the total number of complaints that were filed, 214 or 55.85% were submitted using the Department's online consumer complaint form,

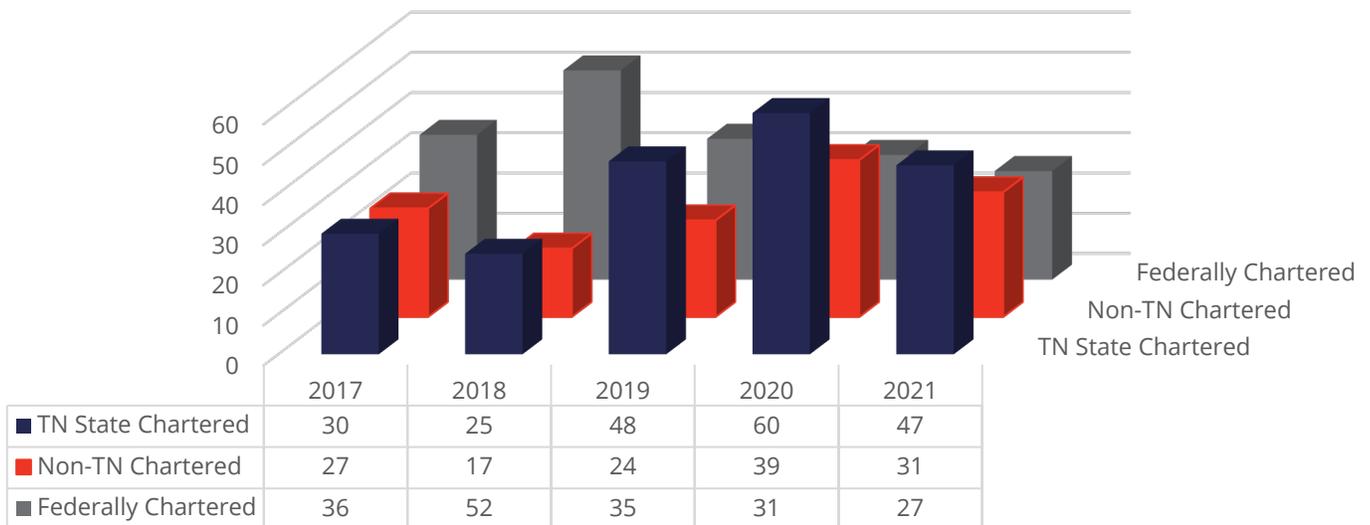
which is a decrease of 41 online complaint submissions, or 9.79% below online complaint filings received in 2020.

Shelby County residents had the highest number of complaints filed with 47 (14.87%) of the total Tennessee resident filed complaints. Complainants from the four largest counties in the state- Davidson, Shelby, Knox, and Hamilton, comprised 40.19% of all the complaints filed by Tennessee citizens with 127.

With Nashville-Davidson County and the six ring counties surrounding the city being the most populated areas of the state, consumer complaints from Davidson County and the ring counties comprised 22.60% of all the complaints filed by Tennessee residents. The complete county listing of consumer complaints filed in 2021 appears later in this report in [Appendix A](#).

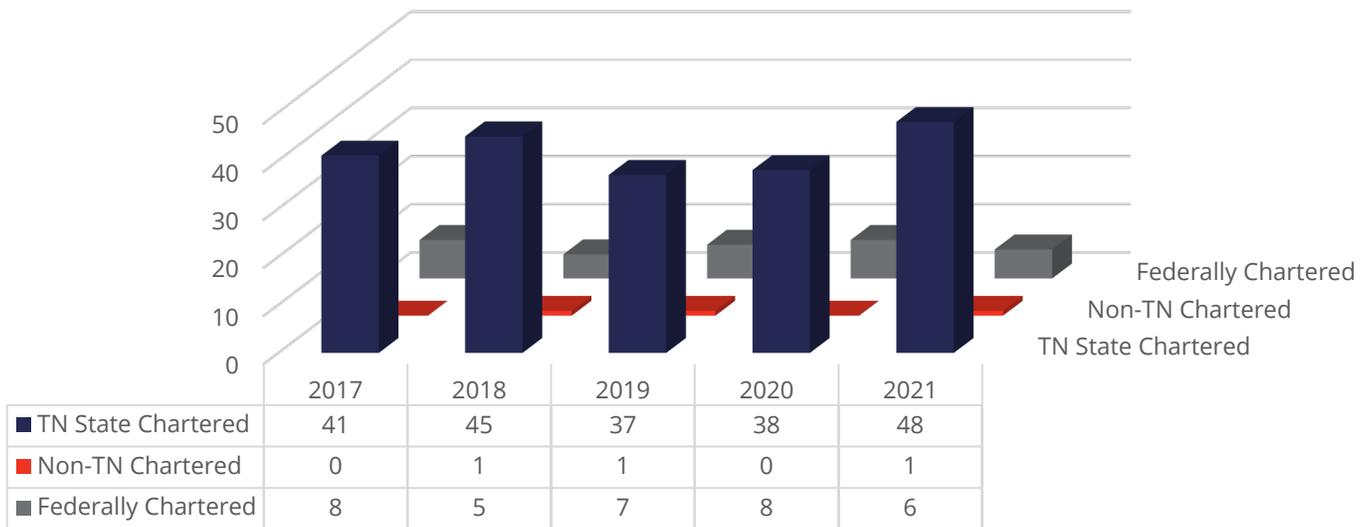
The following graphic shows the five-year trend for bank complaints the Section has received, based on the specific charter type of the institution named in the complaint. Complaints against federally chartered banks have seen a three-year trending decline since 2018. Complaints against both Tennessee state-chartered banks and non-Tennessee chartered banks experienced decreases in complaint numbers in 2021.

Five Year Trend of Bank Complaints



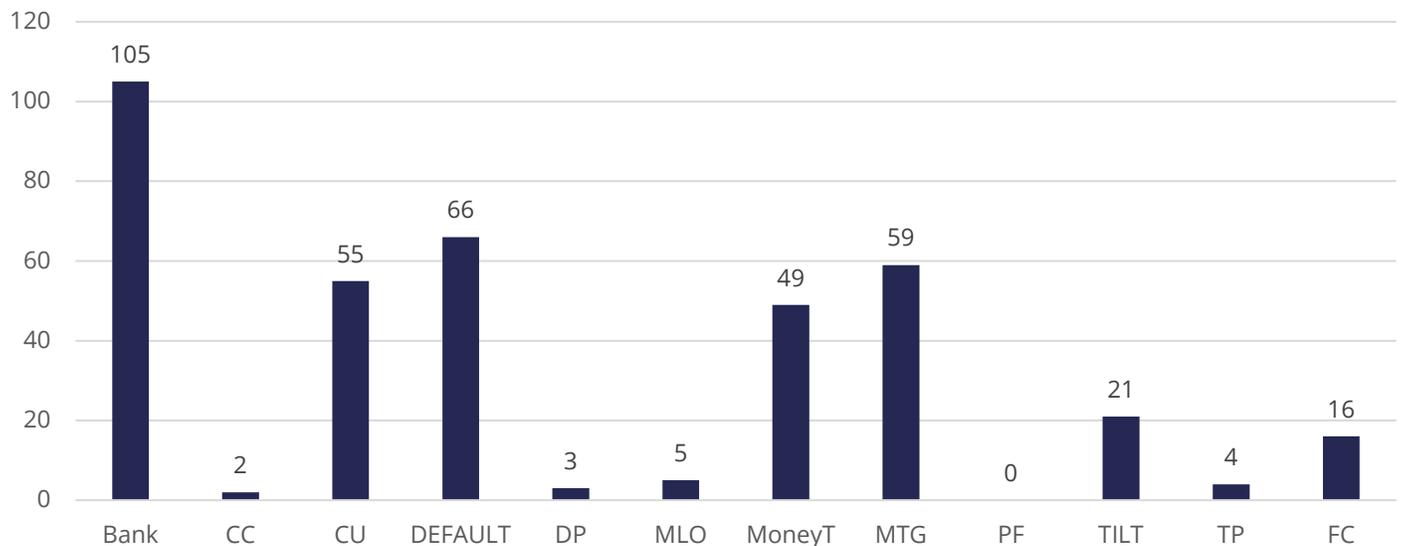
The next graphic shows the five-year trend for the various credit union complaints the Section has received. This is also based on whether the credit union is federally chartered, non-Tennessee state- chartered or a Tennessee chartered credit union. All three charter types have fluctuated over the past five years.

Five Year Trend of Credit Union Complaints



The following graphic shows a listing of the complaints received against the various industry types of financial institutions regulated by the Department.

2021 Consumer Complaint Distribution



*Calendar year ending December 31, 2021

*Bank and credit union data includes federally chartered, out-of-state and Tennessee chartered institutions.

**DEFAULT category contains complaints against financial institutions and/or companies that were not subject to the department's regulation and the complaint was referred to the correct agency holding jurisdiction or regulatory authority.

***Tennessee Industrial Loan and Thrift Companies

**** Flexible Credit Loans became effective January 1, 2015

While some of the complaints received may have had more than one allegation mentioned by the complainant, the following listing contains the Top Ten most frequent allegations.

Rank	Allegation	Number
1	Customer Service Issues	39
2	Refund Issues	30
3	Unapproved Account Withdrawal	21
4	Account Hold Issues	20
5	Attorney/Legal Issues	19
6	Payment Processing-Payment History	19
7	Account Balance Discrepancies	18
8	Applications Processing Issues	15
9	Fraud	15
10	Scams	14

From the complaints reviewed and processed in 2021, consumers received \$42,028.63 in the form of direct credits, refunds to their accounts, physical checks made payable to the complainant or waived fees on their account. There were also several accounts that resulted in some form of a workout payment arrangement to assist the complainant in making their payments on their loans, which may have been in dispute when they submitted their complaint. The complete refunds by industry type are shown in the table to the right.

INDUSTRY	REFUND/WAIVED FEE AMOUNT
Default	
TILT	\$2,360.69
Flexible Credit	\$919.64
Mortgage	\$8,189.98
MLO	\$00.00
Deferred Presentment	\$00.00
Title Pledge	\$00.00
Premium Finance	\$00.00
Check Casher	\$00.00
Money Transmitter	\$798.96
Credit Union	\$953.36
Bank	\$28,806.00
2021	\$42,028.63

CONSUMER EDUCATION

A key strategy in helping protect consumers is to develop and coordinate educational resources that can assist consumers in making informed financial decisions. Education is a powerful financial literacy tool. Consumers who understand their rights and responsibilities are better equipped to make sound financial decisions. Daily, the Consumer Resource Section staff provides one-on-one personal financial education through phone calls, letters and e-mail correspondence with consumers.

One of the goals of the Section is to ensure that all Tennesseans have access to financial literacy programs that will help them make better money management decisions. The Commissioner is a board member of the Tennessee Financial Literacy Commission, which acts as a clearing house for financial literacy activity in Tennessee and gives input to the effort to increase financial literacy in elementary schools. The Section was privileged to partner with other agencies to promote savings in conjunction with America Saves Week. Throughout calendar year 2021, the Section continued its partnership with Tennessee Jumpstart, A Coalition for Personal Financial Literacy. Alan Smith, Chief Administrator for this section, is midway through his term as President of Tennessee Jumpstart.



The COVID-19 pandemic continued to limit the number of in-person financial education events in which Department representatives were able to participate.

FINANCIAL EDUCATION OUTREACH

The following is a listing of the presentations made, panelist participation and/or brochures provided to various groups during 2021:

- University of Tennessee Extension Services (recorded video on Banking for teacher trainings)
- Tennessee Jumpstart 17th Annual Personal Finance Educators Conference (virtual panelist)
- Tennessee Department of Education Career and Technical Educators Conference (presenter for virtual session)
- Apex Bank-provided copies of Elder and Vulnerable Adult Financial Exploitation brochures

BANK DIVISION

The Bank Division has legal responsibility for ensuring that the Tennessee state-chartered banking system runs on a safe and sound basis. The division's risk-focused approach seeks to achieve the Department's mission of balancing safety and soundness with affording institutions the opportunity to contribute to economic development. In its supervisory role, the Bank Division periodically examines the financial soundness of all state-chartered banks, savings banks, and independent non-depository trust companies. The Department plays a vital role in regulating and supporting the financial services industry and ensuring that Tennessee financial institutions remain fiscally strong and comply with governing authority.

Bank examiners perform evaluations of each institution's assets, liabilities, income, and expenses; monitor compliance with governing laws and regulations; and rate the effectiveness of the institution's management. The adequacy of capital is assessed to ensure the protection of depositors. In addition, examiners review the Information Technology (IT) functions of state-chartered institutions for compliance with generally accepted IT practices and adherence to departmental regulations.

Total assets in the state system have grown from \$153 billion as of June 30, 2020, to \$201 billion as of June 30, 2021. This represents a 31% increase over one fiscal year.

In recent years, the Bank Division implemented enhanced risk-scoping procedures prior to and during bank examinations. Examiners are empowered and expected to customize the direction and depth of the examination, to focus on higher risk areas, as the Department continues to seek to right-size regulation to the merits of each institution and avoid a one-size-fits-all approach in order to support the Governor's economic goals for Tennessee.

Although the number of regulated banks declined from 123 as of June 30, 2020 to 119 as of June

30, 2021, total consolidated assets of Tennessee state-chartered banks continue an increasing trend. Three of the seven merger transactions from June 30, 2020 to June 30, 2021 were with another Tennessee state-chartered institution, which resulted in three fewer charters, but no reduction in total assets within the state system. Furthermore, one out-of-state bank and two federally chartered banks merged with and into the Tennessee state system during this fiscal year. The most notable transaction with regard to asset size was the acquisition of Iberia Bank, previously based in Lafayette, Louisiana, which merged with and into First Horizon Bank, Memphis in July 2020. This merger added an additional \$35 billion to total consolidated

Bank Division

Tod Trulove,
Assistant Commissioner
Todd Rice,
Safety & Soundness
Chief Admin
Debra Grissom,
FI Chief Admin
Philip Ruffin,
FI Chief Admin
Wade McCullough,
FI Chief Admin
See Page 23 & 24 for full staffing list.

assets at the time of merger. Total assets in the state system have grown from \$153 billion as of June 30, 2020, to \$201 billion as of June 30, 2021. This represents a 31% increase over one fiscal year.

The Bank Division supervises the trust industry, including non-depository public trust companies and state bank trust departments. The Tennessee trust industry and the Department have built a national reputation for having a progressive trust outlook and for premier administration of fiduciary duties to customers across the U.S. Tennessee is a leading trust jurisdiction, which has facilitated strong industry growth over the past several years. As of June 30, 2021, the division supervised 16 public trust companies and 30 bank trust departments administering \$170 billion in assets.

This division also examines Business and Industrial Development Companies (BIDCOs) for compliance with governing statutes and evaluates applications for new institutions, branches, expanded financial activities and corporate reorganizations.

The Bank Division was reaccredited in 2020 by the Conference of State Bank Supervisors for another five years, demonstrating that the Department meets high standards in its operations.



ADMINISTRATION

Tod Trulove, Assistant Commissioner, CEM
Todd Rice, Chief Administrator – Examinations
Debra Grissom, Chief Administrator – Applications
Wade McCullough, Chief Administrator – Trust, CEIC
Chad Holbert, Program Administrator - Trust
Clyde McClaran, Division Training Director
James Dewhirst, Consumer Compliance Liaison
William Cook, Application Analyst
Justin McClinton, Safety & Soundness Administrator
Philip Ruffin, Chief Administrator – Large Banks
Ekaette Udoumana, Safety & Soundness Administrator
Grant Casselberry, Program Administrator – Large Banks
Jo Ann Schumann, Safety & Soundness Administrator, CCBCO
Jehmie Barrick, Executive Administrative Assistant
Kenneth Oliver, Program Administrator – Large Banks, CPA
Holly Ragan, Program Administrator – Large Banks
Michael Glaser, Program Administrator – Large Banks
Kimberly Morrow, Program Administrator – Large Banks
Alisse Fowler, Program Administrator – Large Banks

EXAMINATION PERSONNEL

WEST TENNESSEE DIVISION

Danny Nolen, Bank Division Manager, CEM
Timothy Runions, Bank Regional Supervisor, CEIC
Brittany Williams, Bank Regional Supervisor
Courtney Hopper, Bank Regional Supervisor
Roxanne Taylor, FI Special Examiner Trust, CEIC
Vicki Ivey, Bank Off-Site Monitoring Coordinator, CEIC
Toniece Johnson, IT Bank Examiner, COE
Stephen Koffman, Bank Examiner 4
Jeffrey Rial, Bank Examiner 4
Cheena Keltner, Bank Examiner 4
Blake Mascolo, Bank Examiner 3
Drew Jordan, Bank Examiner 3
Naman Patel, Bank Examiner 2
Cindy Buffaloe, Bank Examiner 1
William Diamond, Bank Examiner 1
Ryan Kemp, Bank Examiner 1
Jennifer Briley, Bank Examiner 1
Brent Scott, Bank Examiner 1

EAST TENNESSEE DIVISION

Jessica Huff, Bank Division Manager, CSBE
Jonathan Piper, Bank Off-Site Monitoring
Coordinator, CEIC
Jamice Lane-Washburn, Bank Regional Supervisor
Anthony Valentino, Bank Regional Supervisor
Michael Blair, Bank Regional Supervisor
Corey Wright, FI Special Examiner Trust
Ashley McClellan, Bank Examiner 4
Adam Hyde, Bank Examiner 3
Errol Griebel, Bank Examiner 2
Nicholas Watson, Bank Examiner 2
Virginia Showers, Bank Examiner

MIDDLE TENNESSEE DIVISION

Mike Sisk, Bank Division Manager, CEIC
Edward Black, Bank Regional Supervisor
John Tubb, Bank Regional Supervisor
Jordan Brown, Bank Regional Supervisor
Sherri Cassetty, Bank Off-Site Monitoring Coordinator,
CEIC, CFE
Mark Herren, IT Bank Examiner
James Alley, Bank Examiner 4
Zach Tarwater, Bank Examiner 4
Alan Kirkwood, Bank Examiner 3
Cody Durham, Bank Examiner 3
Anne Mauldin, Bank Examiner 3
Darnell Tate, Bank Examiner 2
Jameel Lane, Bank Examiner 2
Jessica Banda, Bank Examiner 2
Dylan Wood, Bank Examiner 2
James Pharris, Bank Examiner 1

Personnel Designation: ACISE, Associate Certified Information Systems Examiner; CEIC, Certified Examiner-in-Charge; CEM, Certified Examinations Manager; CFE, Certified Fraud Examiner; COE, Certified Operations Examiner; CPA, Certified Public Accountant; CCBCO, Certified Community Bank Compliance Officer; CSBE, Certified Senior Bank Examiner

BANK APPLICATION ACTIVITIES FY 2020-2021

NEW BANKS OPEN

There have been no new bank openings during fiscal year 2020-2021.

BANK MERGERS

Bank of Waynesboro, Waynesboro, TN merged with and into CapStar Bank, Nashville, TN (July 2020)

First National Bank of Manchester, Manchester, TN, merged with and into CapStar Bank, Nashville, TN (July 2020)

IBERIABANK, Lafayette, LA, merged with and into First Horizon Bank, Memphis, TN (July 2020)

The Farmers and Merchants Bank, Dyer, TN merged with and into Security Bank and Trust Company, Paris, TN (August 2020)

Franklin Synergy Bank, Franklin, TN merged with and into FirstBank, Nashville, TN (August 2020)

Security Federal Bank, Elizabethton, TN merged with and into Community First Bank, Inc., Walhalla, SC (March 2021)

Community National Bank, Dayton, TN merged with and into SimplyBank, Spring City, TN (March 2021)

BANK CONVERSIONS

There were no bank conversions during fiscal year 2020-2021

BANK CLOSURES

There were no bank closures during fiscal year 2020-2021

BIDCO TRANSACTIONS

There were no BIDCO openings during fiscal year 2020-2021

NEW TRUST COMPANIES OPEN

Thrivent Trust Company of Tennessee, Inc., Brentwood, TN (December 2020)

TRUST COMPANY MERGERS

Unified Trust Company, LLC, Nashville, TN merged with and into American Trust Company, Cordova, TN. (September 2020)

TRUST COMPANY CONVERSIONS

Unified Trust Company, N.A., Lexington, KY, converted from a Kentucky nationally chartered federal savings bank, limited to trust powers, to a Tennessee state-chartered public trust company, called Unified Trust Company, LLC. (September 2020)

INFORMATION AT A GLANCE (AS OF JUNE 30, 2021)

BANK REGULATED INSTITUTIONS:

- 119 Banks
- 16 Independent non-depository public trust companies
- 2 BIDCOs

BANK DATA CONSOLIDATED TOTAL ASSETS:

\$201 billion, representing a \$48.6 billion, or 31.82 percent, increase since June 30, 2020

CONSOLIDATED CAPITAL:

\$22.3 billion, representing 11.07 percent of total assets

RETURN ON AVERAGE ASSETS (ROAA):

Median ROAA of 1.20 percent with a median Net Interest Margin of 3.56 percent (includes all banks)

ALLOWANCE FOR LOAN AND LEASE LOSSES (ALLL):

Median ALLL to total loans and leases ratio of 1.27 percent

PAST DUE RATIO:

Median past due ratio of 0.84 percent

TRUST COMPANY DATA TOTAL CONSOLIDATED CORPORATE ASSETS:

\$250.1 million, representing an increase of approximately 99 percent from June 30, 2020

AGGREGATED NET INCOME FOR TRUST COMPANIES:

\$21.6 million, representing an increase of approximately 125.80 percent compared to the same period in 2020

TRUST ASSETS UNDER MANAGEMENT AND/OR CUSTODY:

Reflects an increase of approximately 53 percent from \$55.5 billion in 2020 to \$85.2 billion, inclusive of assets invested in common/collective trust funds

BUSINESS AND INDUSTRIAL DEVELOPMENT CORPORATION (BIDCOS)

Tennessee Code Annotated, Section 45-8-225 (Report of Accomplishments) requires a report to be published annually that summarizes the accomplishments of the various BIDCOs operating in Tennessee. The two BIDCOs licensed for the calendar year 2020 provided 21 loans totaling \$14,347,300 to small businesses, preserving and/or creating an estimated 136 jobs. One loan was made to a minority owned business in the amount of \$840,000, and six loans were made to businesses owned by female proprietors totaling \$3,825,500. The summary analysis of the number and dollar amount of loans extended to certain broad categories is detailed in Appendix B.

COMPLIANCE DIVISION

The Department's Compliance Division is responsible for the licensing and examination of certain non-depository financial institutions and individuals doing business in Tennessee that are subject by law to regulatory oversight by the department:

- Check Cashing Companies
- Deferred Presentment Services Providers
- Flexible Credit Lenders
- Home Equity Conversion (Reverse) Mortgage Lenders
- Industrial Loan and Thrift Companies
- Insurance Premium Finance Companies
- Money Transmitters
- Residential Mortgage Lenders, Brokers and Servicers
- Residential Mortgage Loan Originators
- Title Pledge Lenders

REGULATORY OVERSIGHT

Prior to engaging in business in Tennessee, each regulated institution or individual must first obtain a license, certificate of registration, or authorization from the Department. All such applications are processed by the Compliance Division, which ensures that each applicant meets the qualifications required by law to engage in such business.

Through a comprehensive examination program, licensed and registered entities are subject to periodic examination by the Compliance Division's examiners. Examinations are designed to test and enforce compliance with Tennessee laws, as well as certain federal laws and regulations such as the Real Estate Settlement Procedures Act (RESPA) and the Truth in Lending Act (TILA). These laws and regulations were promulgated to protect consumers by limiting the amount of interest, loan charges and insurance charges that may be imposed, as well as providing for specific disclosures to the consumer regarding loan provisions. The Compliance Division's examiners investigate consumer complaints and allegations of consumer fraud and usury.

Through 1,892 examinations and other methods of regulatory oversight of non-depository institutions, the Division returned refunds in the amount of \$623,895.20 to consumers for the fiscal year ending June 30, 2021.

In addition, administrative enforcement actions initiated by the Division resulted in civil monetary penalties of \$148,242.72.

Compliance Division

Nicole Chamblee,
Assistant Commissioner, CFE
Jack Lay,
Safety & Soundness
Chief Admin
David Axford,
Safety & Soundness
Chief Admin, JD
See Page 34 for full staffing list.

RISK-FOCUSED EXAMINATION PROGRAM

The Division implemented the Risk-Focused Examination Program (“the program”) July 1, 2013, for Title Pledge, Check Cashing, and Deferred Presentment Services licensees. The program was expanded July 1, 2014, to include Industrial Loan and Thrift Company registrants, Residential Lending, Brokerage, and Servicing licensees, and Insurance Premium Finance licensees. Flexible Credit licensees were brought into the program on July 1, 2017.

The program uses information derived from a study of the historical examination reports and other related regulatory information for each license type to derive ratings based on how a location’s information compares to the industry average. The ratings are used to develop the scheduling frequency of examinations which allows for examination resources to be focused on locations which show a higher-than-average risk.

The program has provided several positive industry and Division impacts. Since 2015, the program, through the annual risk disclosure, provides companies with projected examination dates and main risk factor information for low risk and high risk rated locations. The program has allowed the Division to better manage the examination workforce by deployment of examination resources based on each location’s risk profile and not looking at every location and industry with a one-size-fits-all examination approach.

CHECK CASHING COMPANIES

Check cashing companies are licensed under the Check Cashing Act of 1997, Tenn. Code Ann. §§ 45-18-101, et seq. For a fee, check cashers provide currency in exchange for a payment instrument, such as a check. Licensed check cashers may charge fees as follows: in general, no more than 5% of the face amount of the payment instrument or \$5, whichever is greater; for payment instruments for state public assistance or federal social security benefits, no more than 3% of the face amount or \$2, whichever is greater; and for personal checks or money orders, no more than 10% of the face amount or \$5, whichever is greater.

The requirements for licensure include a minimum net worth of \$25,000 for each location. Licenses under the Check Cashing Act expire on December 31 of each year and may be renewed by the filing of a renewal application, through the Nationwide Multistate Licensing System (NMLS), between November 1 and December 31. As of June 30, 2021, there were 547 check cashing locations licensed with the Department. For fiscal year 2021, the Division conducted 274 examinations of check cashing businesses, resulting in refunds totaling \$2,737.89. (See [Appendix K](#))



DEFERRED PRESENTMENT SERVICES PROVIDERS

Licensees under the Deferred Presentment Services Act, Tenn. Code Ann. §§ 45-17-101, et seq., may engage in the business of deferred presentment services. A deferred presentment service is a transaction involving, in exchange for a fee, the acceptance and payment by the licensee of a check and the holding of the check for a period of time prior to presentment for payment. Licensees may charge a fee of not more than 15% of the face amount of the check, and may not have outstanding more than two (2) checks from any one (1) customer at the same time, with the aggregate face value of all outstanding checks from any one (1) customer not to exceed \$500.

The requirements for licensure include having a minimum net worth of \$25,000 for each location. Licenses under the Deferred Presentment Services Act expire on December 31 of each year and may be renewed by the filing of a renewal application, through NMLS, between November 1 and December 31. As of June 30, 2021, there were 702 deferred presentment service locations licensed with the Department. For fiscal year 2021, the Division conducted 337 examinations of deferred presentment service providers, resulting in refunds totaling \$894.63. (See [Appendix L](#))

FLEXIBLE CREDIT LENDERS

Businesses licensed under the Flexible Credit Act, Tenn. Code Ann. §§ 45-12-101, et seq., may offer “flex loans” pursuant to flex loan plans. A flex loan plan is defined to mean a written agreement between a licensee and a customer establishing an open-end credit plan under which the licensee contemplates repeated noncommercial loans for personal, family, or household purposes.

Flex loan plans may be unsecured or secured by personal property and may be without fixed maturities or limitations as to the length of term. Flexible credit lenders may charge a periodic interest rate not to exceed 24% per annum and a customary fee not to exceed a daily rate of 0.7% of the average daily principal balance in any billing cycle. No flex plan may have an outstanding principal balance in excess of \$4,000 at any time.

The requirements for licensure under the Flexible Credit Act include having a minimum net worth of \$50,000 for each location and filing with the Department a surety bond in the amount of \$25,000 for each location up to a maximum of \$200,000 for any one (1) licensee. Licenses under the Flexible Credit Act expire on December 31 of each year and may be renewed by filing

a renewal application, through the NMLS, between November 1 and December 31. As of June 30, 2021, there were 677 flexible credit locations licensed with the Department. For fiscal year 2021, the Division conducted 288 examinations of flexible credit lenders, resulting in refunds totaling \$38,783.13. (See [Appendix M](#))

HOME EQUITY CONVERSION MORTGAGE LENDERS

Home equity conversion mortgages, also known as reverse mortgages, are governed in Tennessee by the Home Equity Conversion Mortgage Act, Tenn. Code Ann. §§ 47-30-101, et seq. A business that makes home equity conversion mortgages must be licensed under the Tennessee Residential Lending, Brokerage and Servicing Act, Tenn. Code Ann. §§ 45-13-101, et seq. and must also be an authorized lender under the Home Equity Conversion Mortgage Act. All reverse mortgages issued in Tennessee must comply with all requirements for participation in the Federal Department of Housing and Urban Development's (HUD) Home Equity Conversion Mortgage Program (or other similar federal reverse mortgage loan programs) and must be insured by the Federal Housing Agency or other similar federal agency. Authorized lenders are examined for compliance with the Home Equity Conversion Mortgage Act at the same time that they are examined for compliance under the Tennessee Residential Lending, Brokerage and Servicing Act. As of June 30, 2021, 64 lenders were authorized to make reverse mortgage loans.

INDUSTRIAL LOAN AND THRIFT COMPANIES

The Tennessee Industrial Loan and Thrift (TILT) Companies Act, Tenn. Code Ann. §§ 45-5-101, et seq., was adopted for the stated purpose of allowing the citizens of Tennessee to have available the facilities and resources of regulated lending institutions to meet their needs for loans at rates and charges reasonably commensurate with economic realities. TILT companies are authorized to charge rates of interest higher than the rates currently authorized under Tennessee's general usury statutes. The requirements for registration under the TILT Act include having a minimum net worth of \$25,000 for each location from which business is conducted and filing with the Department a surety bond in the amount of \$200,000 if the business proposes to make residential mortgage loans, or \$50,000 otherwise. Registrations under the TILT Act expire on December 31 of each year and may be renewed by the filing of a renewal application, through the NMLS, between November 1 and December 31. As of June 30, 2021, there were 1,093 TILT locations registered with the Department. For the fiscal year 2021, the Division conducted 558 examinations of TILT companies resulting in refunds totaling \$473,625.95. (See [Appendix N](#))

INSURANCE PREMIUM FINANCE COMPANIES

Persons engaged in the business of premium finance companies in Tennessee must be licensed under the Premium Finance Company Act of 1980, Tenn. Code Ann. §§ 56-37-101, et seq. Premium finance companies enter into agreements by which an insured, or prospective insured, promises to pay to the premium finance company the amount advanced or to be advanced under the agreement to an insurer or insurance agent or producing agent in payment of premiums of an insurance contract, together with interest and a service charge. A premium finance company may charge interest not to exceed a maximum effective rate of 24% per annum and may charge on pre-computed loans a service charge in an amount equal to 4% of the total amount of the loan.

The requirements for licensure under the Premium Finance Company Act include the experience, training, or education to be qualified in the business for which the license is required. Licenses under the Premium Finance Company Act expire on December 31 of each year and may be renewed by filing a renewal application, through the NMLS, between November 1 and December 31. As of June 30, 2021, there were 42 insurance premium finance companies licensed with the Department. For fiscal year 2021, the Division conducted 13 examinations of insurance premium finance companies resulting in refunds totaling \$135.00.

MONEY TRANSMITTERS

The activities of money transmitter companies are governed by the Tennessee Money Transmitter Act of 1994, Tenn. Code Ann. §§ 45-7-101, et seq. There are exemptions that apply to certain government agencies, as well as business organizations, which are listed in Tenn. Code Ann. §§ 45-7-104.

The Department continues to enhance its policies and procedures to ensure that we efficiently and effectively facilitate our statutory responsibility to ensure certain consumer protections as well as to help provide a good business environment for legitimate industry. The Department also continues to be an active participant in the Money Transmitter Regulatory Association and Conference of State Bank Supervisors to facilitate fulfillment of responsibilities with respect to money transmission licensing and regulation.



Each applicant for a money transmitter license must demonstrate, and each licensee must maintain, a net worth of not less than \$100,000 computed according to generally accepted accounting principles. Persons transmitting, or proposing to transmit, money shall have an additional net worth of \$25,000 per additional location or agent located in Tennessee, as applicable, to a maximum of \$500,000. The applicant must demonstrate such experience, character, and general fitness as to command the confidence of the public and warrant the belief that the business will be operated lawfully and fairly.

As of June 30, 2021, the division licensed 157 money transmitters. For fiscal year 2021, the Division conducted five (5) money transmitter examinations and 14 examinations of money transmitters were either conducted by the Multistate Money Transmitter Exam Team (MMET), of which the Department is a member, or the examinations were conducted by other states and accepted by the Department. The Tennessee Money Transmitter Act authorizes the Department to accept examinations of an agency of another state.

RESIDENTIAL MORTGAGE BROKERS, LENDERS AND SERVICERS

Residential mortgage lenders, brokers and servicers doing business in Tennessee must be licensed under the Tennessee Residential Lending, Brokerage and Servicing Act, Tenn. Code Ann. §§ 45-13-101, et seq. The requirements for licensure include having a minimum net worth of \$25,000 and filing with the Department a surety bond in an initial amount of between \$90,000 and \$200,000 depending on the nature of the business to be conducted, and the bond is adjustable annually based on the dollar amount of Tennessee residential mortgage loans



originated in the preceding calendar year. Licenses expire on December 31 of each year and may be renewed by the filing of a renewal application, through the NMLS, between November 1 and December 31. As of June 30, 2021, there were 902 mortgage companies and 3,446 mortgage company branches licensed with the Department. For the fiscal year 2021, the Division conducted 88 examinations of mortgage companies, resulting in refunds totaling \$76,401.32.

RESIDENTIAL MORTGAGE LOAN ORIGINATORS

Residential mortgage loan originators must also be licensed under the Tennessee Residential Lending, Brokerage and Servicing Act, Tenn. Code Ann. §§ 45-13-101, et seq. The requirements for licensure include the following: 20 hours of pre-licensure education, two (2) hours of which must be in Tennessee law; passing score on a national test with uniform state content; authorization for a fingerprint based criminal background check through the FBI; authorization for a credit report from a national credit reporting agency. A mortgage loan originator license is not active unless the individual is also sponsored by a licensed mortgage lender or mortgage loan broker, and a mortgage loan originator is prohibited by law from providing origination services with an inactive license. Licenses expire on December 31 of each year and may be renewed by the filing of a renewal application, through the NMLS, between November 1 and December 31. As of June 30, 2021, there were 20,255 mortgage loan originators licensed with the Department. The Division examines the work product of individual mortgage loan originators when it examines the sponsoring broker or lender.



TITLE PLEDGE LENDERS

The Tennessee Title Pledge Act, Tenn. Code Ann. §§ 45-15-101, et seq., governs the activities of title pledge lenders in Tennessee. A title pledge loan is a 30-day loan, which may be renewed, secured by the borrower's motor vehicle. Title pledge lenders may charge interest at a rate not to exceed 2% per month and a customary fee of no more than 1/5 of the original principal amount of the loan or of the unpaid balance due at the inception of any renewal. If a borrower fails to repay a loan, the lender may repossess and sell the vehicle, but the borrower is not personally liable for any deficiency balance.

The requirements for licensure under the Tennessee Title Pledge Act include having a minimum net worth of \$75,000 for each location and filing with the Department a surety bond in the amount of \$25,000 for each location up to a maximum of \$200,000 for anyone (1) licensee. Licenses under the Tennessee Title Pledge Act expire on December 31 of each year and may be renewed by the filing of a renewal application, through the NMLS, between November 1 and December 31. As of June 30, 2021, there were 539 title pledge locations licensed with the Department. For the fiscal year 2021, the Division conducted 315 examinations of title pledge businesses resulting in refunds totaling \$31,317.28. (See [Appendix O](#))

ADMINISTRATION

Nicole Chamblee, Assistant Commissioner, CFE
Jack Lay, Chief Administrator
David Axford, Chief Administrator, JD
Carl Scott, Program Administrator 2, CFSA
Christy Beadle Adams, Program Administrator 1
Mandy Heady, Financial Analyst
Melody Johnson, Financial Analyst
Luke Schroer, Financial Analyst
Steffany Daniel, Administrative Services Assistant 5
Melanie Harper, Administrative Services Assistant 3

EXAMINATION PERSONNEL

Cathy Henry, Compliance Examination Supervisor
Patrick Somers, Compliance Examination Supervisor
Robert Campbell, Loan Examiner 4
Steve Cranor, Loan Examiner 4
Robert Doyle, Loan Examiner 4
Grant Gouveia, Loan Examiner 4, CFE
Chad Haney, Loan Examiner 4
Elizabeth Harrell, Loan Examiner 4
Kevin Hicks, Loan Examiner 4
Kerry Rial, Loan Examiner 4
James Simmons, Loan Examiner 4
Robert Walker, Loan Examiner 4
Mike Wiggins, Loan Examiner 4
Marisa Graham, Loan Examiner 3
Keith Sharp, Loan Examiner 3
Calvin Stout, Loan Examiner 3
Luke Ward, Loan Examiner 3
Heather Winfree, Loan Examiner 2

Personnel Designation: CFE, Certified Fraud Examiner; CFSA, Certified Financial Services Auditor; JD, Doctor of Jurisprudence

CREDIT UNION DIVISION

The Credit Union Division is responsible for the supervision and examination of state-chartered natural-person and corporate credit unions. Credit union examiners perform safety and soundness examinations for each state-chartered credit union as well as for Volunteer Corporate Credit Union (VolCorp) to determine compliance with governing laws and regulations. Evaluations of each credit union's assets, liabilities, income and expenses are performed to assess the solvency of the institution. They also perform investigations as a result of complaints filed with the Department's Consumer Resources Section.

The primary mission of the Credit Union Division is to provide the people of Tennessee with a safe and sound system of credit unions but not at the expense of credit unions' ability to support local economies. The most fundamental approach to achieve that is to regulate credit unions on an institution-by-institution basis by supervising credit unions based on their risk profile rather than a one-size-fits-all regulatory approach.

The Credit Union Division uses a risk focused examination approach, which allows our examiners to better focus on any identified emerging risk and to also be more efficient on examinations by understanding what areas may hold little risk and should not receive as much attention. Examiners look for ways to balance their regulatory authority during each examination.

Regulatory balance is the act of striking the right balance between regulatory oversight (ensuring safety and soundness and compliance with law) and allowing for economic growth and profitability. Examples include customizing examinations instead of using a one-size-fits-all

philosophy, utilizing regulatory authority to bring common sense and justice to bear, and influencing federal agencies toward a more balanced approach.

Through collaboration, examiners discuss best practices with credit union officials, but they do not attempt to micromanage institutions. Examiners inform officials that regardless of the information presented, the Board of Directors is ultimately responsible for making decisions. Examiners share information with management to include emerging risks, current issues, and hot topics. The Credit Union Division is an advocate for the success of credit unions serving citizens.

Total assets in Tennessee state-chartered credit unions increased almost \$2.3 billion from prior year. Even with this unprecedented growth our institutions, overall, remained healthy.

Credit Union Division

Brian Williams,
Assistant Commissioner
Jim Eller,
FI Safety & Soundness
Manager
Matthew Adkins,
FI Safety & Soundness
Manager
Memory Little,
FI Program Admin 1
See Page 38 for full staffing list.

The year 2021 continued to have its challenges due to COVID-19 and related matters. Federal stimulus money resulted in net worth ratios declining significantly in many of our institutions due to associated asset growth of up to 20% for some credit unions. Total assets in Tennessee state-chartered credit unions increased almost \$2.3 billion from prior year. Even with this unprecedented growth our institutions, overall, remained healthy. Examinations continued offsite for the most part, with a handful of onsite exceptions mainly due to transaction volume and/or documentation uploading difficulties. Our credit unions continued to rise to the challenge of making full offsite examinations work and enabling risk to be fully assessed at each contact. Our examiners, in turn, continued their outstanding work, wading through each difficulty, identifying solutions and working with each institution individually to accomplish our goal of risk assessment and reporting. Outstanding help and support from the Department's senior management and other state agencies allowed us to work through each challenge effectively. As a result, examinations continued unabated with risk being identified and reported accurately.

This year also saw the division moving to a new examination program. While the learning curve for this program is fairly steep, once trained, this program will: enable us to access greater analytics; provide for greater efficiency in examinations; schedule timely follow up of corrective actions; and allow for easier access to historical data from previous examinations. The crux of the examination process won't change in that we continue to review each institution for safety and soundness and for compliance with state and federal laws and regulations.

Collectively, the 76 natural-person credit unions regulated by the Credit Union Division have assets of approximately \$17 billion. The return on average assets was 1.23%. Individually, the institutions present a vast array of asset sizes, fields of membership and services.

VolCorp, located in Nashville, Tennessee, continues to meet the financial service needs of natural-person credit unions, whether state or federally chartered. VolCorp is a \$2.5 billion corporate credit union that serves more than 325-member credit unions in Tennessee and other states. VolCorp offers a vast array of services to its members.

The Credit Union Division remains accredited by the National Association of State Credit Union Supervisors (NASCUS). The NASCUS accreditation was re-certified in November 2020 for another five-year period.

CREDIT UNION TRANSACTIONS

July 1, 2020 – June 30, 2021

Mergers/Liquidations

- Mid-East Tennessee Community Credit Union merged with and into ORNL Federal Credit Union (7/31/2020)
- Health Systems Credit Union merged with and into Consumer Credit Union (9/30/2020)
- Langston Bag Co. Empls. Savings Assoc. Credit Union liquidation and dissolution (5/20/2021)

Name Changes

- There were no name changes during the fiscal year.

Principal Address Change

- There were no principal address changes during the fiscal year.

New Branches/Branch Relocations

- Eastman Credit Union – Approval to relocation a branch from 4397 N Roan Street, Johnson City, Tennessee to 4309 N Roan Street, Johnson City, Tennessee (12/7/2020)
- Eastman Credit Union – Approval to establish a branch at 845 West Andrew Johnson Highway, Greeneville, Tennessee (12/16/2020)
- Old Hickory Credit Union – Approval to establish a branch at 76 Montchanin Road, Old Hickory, Tennessee (8/17/2020)

Approval to Close/Sell Branches

- US Community Credit Union – Closure of branch at 1719 West Main Street, Lebanon, Tennessee (8/14/2020)
- US Community Credit Union – Closure of branch at 1282 NW Broad Street, Murfreesboro, Tennessee (8/14/2020)
- The Credit Union for Robertson County – Closure of branch at 505 S. Brown Street, Springfield, Tennessee (11/9/2020)

Certificate of Authority for Out of State Credit Union

- There were no certificates of authority issued during the fiscal year.

Field of Membership Application Approvals

- There were no field of membership application approvals during the fiscal year.

ADMINISTRATION

Brian Williams, Assistant Commissioner
Memory Little, Program Administrator
Jennifer Meade, Administrative Services Assistant 3

EXAMINATION PERSONNEL

West Tennessee District

Jim Eller, FI Safety and Soundness Manager
Randall Means, CSCUES, Credit Union Examiner 5
Dana R. Owen, CFE, CEIC, CISE, Credit Union Examiner 4
Josh Evans, CAMS, Credit Union Examiner 4

Middle Tennessee District

Jim Eller, FI Safety and Soundness Manager
Steve Eddings, CFE, CSCUE, CEIC, Credit Union Examiner 5
Madison Tarwater, Credit Union Examiner 4
Derek Quarles, Credit Union Examiner 3
Robert Heisse, Credit Union Examiner 4

East Tennessee District

Matthew Adkison, FI Safety and Soundness Manager
William Justice, Credit Union Examiner 4
Shane Hardin, CFE, CSCUE, Credit Union Examiner 5
Stephanie Dunn, Credit Union Examiner 3
Dwight Ward, Credit Union Examiner 4

**Examination Personnel Designation: CEIC, Certified Examiner-in-Charge; CFE, Certified Fraud Examiner; CISE, Certified Information Systems Examiner; CSCUE, Certified State Credit Union Examiner; CSCUES, Certified State Credit Union Examiner Supervisor; CAMS, Certified Anti Money Laundering Specialist

DATA APPENDIX

CONSUMER RESOURCES

APPENDIX A: TOTAL COMPLAINTS BY COUNTY

County	Percent %	County	Percent Percent	County	Percent Percent			
Out of State	69	17.92%	Hamblen	8	2.08%	Moore	0	0.00%
Anderson	7	1.82%	Hamilton	13	3.38%	Morgan	0	0.00%
Bedford	2	0.52%	Hancock	0	0.00%	Obion	1	0.26%
Benton	1	0.26%	Hardeman	0	0.00%	Overton	2	0.52%
Bledsoe	0	0.00%	Hardin	1	0.26%	Perry	0	0.00%
Blount	12	3.12%	Hawkins	2	0.52%	Pickett	0	0.00%
Bradley	4	1.04%	Haywood	0	0.00%	Polk	0	0.00%
Campbell	1	0.26%	Henderson	0	0.00%	Putnam	4	1.04%
Cannon	0	0.00%	Henry	0	0.00%	Rhea	0	0.00%
Carroll	0	0.00%	Hickman	0	0.00%	Roane	2	0.52%
Carter	1	0.26%	Houston	0	0.00%	Robertson	4	1.04%
Cheatham	2	0.52%	Humphreys	1	0.26%	Rutherford	10	2.60%
Chester	1	0.26%	Jackson	0	0.00%	Scott	2	0.52%
Claiborne	3	0.78%	Jefferson	5	1.30%	Sequatchie	0	0.00%
Clay	1	0.26%	Johnson	1	0.26%	Sevier	7	1.82%
Cocke	1	0.26%	Knox	25	6.49%	Shelby	47	12.21%
Coffee	0	0.00%	Lake	1	0.26%	Smith	1	0.26%
Crockett	0	0.00%	Lauderdale	0	0.00%	Stewart	0	0.00%
Cumberland	2	0.52%	Lawrence	2	0.52%	Sullivan	13	3.38%
Davidson	42	10.91%	Lewis	0	0.00%	Sumner	10	2.60%
Decatur	0	0.00%	Lincoln	1	0.26%	Tipton	4	1.04%
Dekalb	0	0.00%	Loudon	2	0.52%	Trousdale	0	0.00%
Dickson	5	1.30%	McMinn	2	0.52%	Unicoi	1	0.26%
Dyer	1	0.26%	McNairy	2	0.52%	Union	1	0.26%
Fayette	1	0.26%	Macon	0	0.00%	Van Buren	0	0.00%
Fentress	1	0.26%	Madison	4	1.04%	Warren	1	0.26%
Franklin	1	0.26%	Marion	1	0.26%	Washington	6	1.56%
Gibson	1	0.26%	Marshall	1	0.26%	Wayne	0	0.00%
Giles	1	0.26%	Mauzy	6	1.56%	Weakley	0	0.00%
Grainger	0	0.00%	Meigs	1	0.26%	White	0	0.00%
Greene	3	0.78%	Monroe	3	0.78%	Williamson	13	3.38%
Grundy	0	0.00%	Montgomery	6	1.56%	Wilson	6	1.56%
						Total	385	100.00%

BANK DIVISION

APPENDIX B: BUSINESS AND INDUSTRIAL DEVELOPMENT CORPORATION (BIDCOS)

CATEGORY	NUMBER	AMOUNT
Agriculture, forestry, and fishing	5	\$5,979,600
Manufacturing	6	\$1,472,200
Services	10	\$6,895,500
TOTAL	21	\$14,347,300

APPENDIX C: TENNESSEE STATE-CHARTERED BANKS CONSOLIDATED BALANCE SHEET (IN MILLIONS)

ASSETS	June 30, 2021	June 30, 2020	\$ CHANGE	% CHANGE
Cash and Due From Banks	26,375	12,647	13,728	108.55%
Securities	25,928	19,085	6,843	35.86%
Federal Funds Sold and Securities	2,326	1,478	848	57.37%
Securities not held for trading	80	117	-37	-31.62%
Loans and Leases Held for Sale	2,789	2,094	695	33.19%
Loans and Leases, Net of Unearned Income	130,363	104,805	25,558	24.39%
Allowance for Loan and Lease Losses	-1,748	-1,436	312	21.73%
Assets Held in Trading Accounts	1,313	1,587	-274	-17.27%
Premises and Fixed Assets	2,716	2,355	361	15.33%
Other Real Estate Owned	81	126	-45	-35.71%
Investments in Unconsolidated Subsidiaries	308	259	49	18.92%
Intangible Assets	4,505	4,086	419	10.25%
Other Assets	6,455	5,656	799	14.13%
TOTAL ASSETS	201,491	152,859	48,632	31.81%
LIABILITIES				
Non-Interest Bearing Deposits	51,544	33,149	18,395	55.49%
Interest Bearing Deposits	119,531	91,703	27,828	30.35%
TOTAL DEPOSITS	171,075	124,852	46,223	37.02%
Federal Funds Purchased & Securities Sold Under Agreement to Repurchase	2,498	2,780	-282	-10.14%
Trading Liabilities	676	426	250	58.69%
Other Borrowed Money	2,158	4,421	-2,263	-51.19%
Other Liabilities	2,783	1,835	948	51.66%
TOTAL LIABILITIES	179,190	134,937	44,253	32.80%
Minority Interests in Unconsolidated Subsidiaries	6	3	3	100.00%

APPENDIX D: TENNESSEE STATE-CHARTERED BANKS CONSOLIDATED BALANCE SHEET (IN MILLIONS)

EQUITY CAPITAL	June 30, 2021	June 30, 2020	\$ Change	% Change
Preferred Stock	315	315	0	0%
Common Stock	309	429	-120	-27.97%
Surplus	13,782	10,845	2,937	27.08%
Undivided Profits	7,783	6,105	1,678	27.49%
Accumulated Other Comprehensive Income	106	226	-120	-53.10%
Other Equity Capital Components	0	0	0	0%
TOTAL EQUITY CAPITAL	22,302	17,922	4,380	24.44%
TOTAL LIABILITIES AND EQUITY CAPITAL	201,491	152,859	48,632	31.81%

APPENDIX E: TENNESSEE STATE-CHARTERED BANKS CONSOLIDATED INCOME STATEMENT (IN MILLIONS)

	JUNE 30, 2021	JUNE 30, 2020
Interest Income	3,042	2,655
Interest Expense	-264	-479
NET INTEREST INCOME	2,778	2,176
Non-Interest Income	1,183	929
Non-Interest Expense	-2,356	-1,854
Provision for Loan and Lease Losses	162	-582
Securities Gains/Losses	22	6
Pre-Tax Net Income	1,789	675
Applicable Income Taxes	-390	-123
NET OPERATING INCOME	1,399	552
Income attributed to noncontrolling minority interests	3	-1
NET INCOME	1,396	553
TOTAL CASH DIVIDENDS	636	273

APPENDIX F: TENNESSEE STATE-CHARTERED BANKS SUMMARY OF INDIVIDUAL BANKS (IN THOUSANDS)

		(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	
CITY	INSTITUTION	Cash	Invest	Total Loans	Loan Loss Reserve	Other Assets	Total Assets	Deposits	Other Liabilities	MIUS	CAPITAL	Net Income
BARTLETT	Bank of Bartlett	62,992	95,149	280,773	2,160	35,213	471,967	420,619	14,462	0	36,886	902
BELLS	Bank of Crockett	6,152	107,107	91,037	1,242	10,451	213,505	187,796	1,938	0	23,771	1,698
BRENTWOOD	Reliant Bank	52,968	267,172	2,550,488	20,894	240,335	3,090,069	2,631,432	50,597	0	408,040	27,006
BRIGHTON	Brighton Bank	20,913	4,998	32,971	391	1,568	60,059	52,538	3,289	0	4,232	578
BROWNSVILLE	INSOUTH Bank	10,347	61,985	326,271	3,517	23,854	418,940	377,647	2,954	0	38,339	3,910
BYRDSTOWN	Peoples Bank and Trust Company of Pickett County	4,221	38,329	101,039	1,432	6,326	148,483	129,773	1,205	0	17,505	1,434
CAMDEN	Apex Bank	177,815	80,892	635,382	8,077	48,544	934,556	753,685	53,349	0	127,522	19,583
CARTHAGE	Citizens Bank	20,256	397,139	310,689	3,349	8,940	733,675	595,868	6,616	0	131,191	8,500
CHATTANOOGA	First Volunteer Bank	433,131	10,566	833,486	19,814	49,937	1,307,306	1,160,716	8,265	0	138,325	9,064
CLARKSVILLE	F&M Bank	41,808	139,984	999,505	6,113	136,134	1,311,318	1,120,029	40,207	3,526	151,082	10,813
CLARKSVILLE	Legends Bank	75,222	116,813	445,718	6,330	29,161	660,584	589,893	11,641	0	59,050	4,585
CLEVELAND	Bank of Cleveland	70,570	1,859	236,665	2,685	15,035	321,444	263,454	7,544	0	50,446	3,137
CLIFTON	Peoples Bank	35,055	23,871	174,583	2,489	15,659	246,679	221,416	1,787	0	23,476	1,247
COLLIERVILLE	BankTennessee	30,942	28,642	332,031	4,810	28,050	414,855	377,277	1,138	0	36,440	2,449
COLLIERVILLE	Landmark Community Bank	10,762	147,277	789,323	6,226	45,517	986,653	823,113	59,086	0	104,454	5,641
COLUMBIA	First Farmers and Merchants Bank	53,975	829,488	909,822	9,581	93,124	1,876,828	1,696,294	18,867	95	161,667	8,481
COLUMBIA	Heritage Bank & Trust	14,039	31,141	157,639	2,908	10,092	210,003	188,679	2,425	0	18,899	898
COOKEVILLE	One Bank of Tennessee	156,924	417,066	731,113	4,061	74,841	1,375,883	1,255,844	23,169	0	96,870	8,725
COOKEVILLE	Putnam 1 st Mercantile Bank	2,943	47,542	95,724	1,371	3,436	148,274	131,960	847	0	15,467	955
DAYTON	SimplyBank	84,456	96,770	483,340	6,526	30,797	688,837	613,351	9,526	0	65,960	2,020
DECATURVILLE	Decatur County Bank	14,999	28,605	141,556	1,472	11,900	195,588	170,905	7,655	0	17,028	1,652
DICKSON	Bank of Dickson	17,247	124,617	141,812	1,665	5,697	287,708	250,215	5,412	0	32,081	861
DICKSON	First Federal Bank	85,211	340,983	408,673	8,687	41,333	867,513	753,807	15,607	0	98,099	5,929
DICKSON	TriStar Bank	39,821	92,696	243,180	3,573	24,631	396,755	354,236	9,696	0	32,823	1,445
DUNLAP	Citizens Tri-County Bank	200,703	278,391	632,088	9,971	45,207	1,146,418	1,023,787	8,090	0	114,541	10,519
DUNLAP	Mountain Valley Bank	18,065	22,848	85,516	922	5,177	130,684	119,762	446	0	10,476	306
ELIZABETHTON	Citizens Bank	18,395	174,904	840,683	10,902	43,568	1,066,648	915,558	19,723	1,088	131,367	14,282
ERIN	Traditions First	36,960	56,789	99,899	974	8,161	200,835	181,890	1,954	0	16,991	958
FARRAGUT	SouthEast Bank	196,795	0	1,883,193	7,822	125,116	2,197,282	1,968,891	43,397	0	184,994	9,867
FAETTEVILLE	Bank of Lincoln County	49,459	16,866	113,851	1,547	9,322	187,951	165,587	877	0	21,487	1,330

		(A)	(B)	I	(D)	I	(F)	(G)	(H)	(I)	(J)	
CITY	INSTITUTION	Cash	Invest	Total Loans	Loan Loss Reserve	Other Assets	Total Assets	Deposits	Other Liabilities	MIUS	CAPITAL	Net Income
FRANKEWING	Bank of Frankewing	72,096	32,647	270,002	4,884	20,985	390,846	349,992	2,539	0	38,315	1,450
FRANKLIN	Lineage Bank	24,546	9,368	14,024	55	7,956	55,839	41,478	4,304	0	10,057	-1,759
GALLATIN	Sumner Bank & Trust	40,478	17,290	136,502	1,268	9,664	202,666	181,379	891	0	20,396	1,203
GATES	Gates Banking and Trust Company	1,106	36,812	14,082	306	2,660	54,354	47,473	513	0	6,368	228
GERMANTOWN	First Capital Bank	13,397	50,739	306,125	3,318	10,771	377,714	317,021	21,296	0	39,397	1,902
GLEASON	Bank of Gleason	14,577	60,753	49,905	618	2,276	126,893	98,177	527	0	28,189	793
GREENEVILLE	Andrew Johnson Bank	54,320	97,071	321,081	5,969	16,392	482,895	434,139	2,004	0	46,752	2,449
GREENEVILLE	Heritage Community Bank	17,361	3,994	103,626	1,639	8,018	131,360	114,023	4,366	0	12,971	550
GREENFIELD	Greenfield Banking Company	3,169	18,093	54,876	830	6,330	81,638	72,948	2,114	0	6,576	349
HALLS	Bank of Halls	4,779	52,960	45,785	649	6,648	109,523	98,089	1,087	0	10,347	622
HALLS	The Lauderdale County Bank	3,916	30,345	25,024	335	2,698	61,648	54,624	1,005	0	6,019	134
HARROGATE	Commercial Bank	160,159	196,688	1,197,689	11,426	109,889	1,652,999	1,404,144	86,563	0	162,292	10,941
HARTSVILLE	Citizens Bank	15,685	82,557	184,381	3,138	11,206	290,691	258,191	3,700	0	28,800	1,447
HUNTINGDON	Carroll Bank and Trust	39,850	56,943	248,716	2,391	29,398	372,516	336,353	1,643	0	34,520	2,321
JACKSON	The Bank of Jackson	4,137	159,586	56,838	1,151	7,017	226,427	187,532	13,101	0	25,794	1,186
JAMESTOWN	Union Bank	9,164	118,593	88,075	1,400	15,928	230,360	204,923	1,457	0	23,980	194
JASPER	Tower Community Bank	24,233	24,556	183,063	1,539	20,201	250,514	225,223	1,445	177	23,846	1,534
JEFFERSON CITY	First Peoples Bank of Tennessee	14,656	53,307	119,471	2,082	10,597	195,949	171,833	8,339	0	15,777	1,032
JELLICO	Ubank	23,952	6,146	46,236	679	4,748	80,403	66,266	943	0	13,194	53
KINGSPORT	Bank of Tennessee	207,493	180,865	1,279,123	11,696	97,300	1,753,085	1,553,021	48,914	0	151,150	13,382
KNOXVILLE	Mountain Commerce Bank	107,842	104,457	994,064	9,673	41,408	1,238,098	1,002,740	108,752	0	126,606	13,351
LA FOLLETTE	Peoples Bank of the South	27,402	28,287	128,735	1,516	4,118	187,026	162,108	3,020	0	21,898	2,076
LAFAYETTE	Citizens Bank of Lafayette	89,302	327,865	612,249	9,623	49,927	1,069,720	929,195	34,891	0	105,634	6,916
LAFAYETTE	Macon Bank and Trust Company	34,013	305,554	210,955	2,877	21,826	569,471	496,524	13,657	0	59,290	1,740
LAWRENCEBURG	Lawrenceburg Federal Bank	10,833	0	59,569	188	3,826	74,040	56,869	1,401	0	15,770	145
LEBANON	CedarStone Bank	4,977	67,463	162,578	2,127	17,620	250,511	203,785	21,324	0	25,402	1,091
LEBANON	First Freedom Bank	86,812	0	473,939	7,157	43,035	596,629	509,055	29,405	0	58,169	4,307
LEBANON	Wilson Bank and Trust	302,295	803,973	2,413,412	39,314	162,092	3,642,458	3,230,013	18,037	0	394,408	23,134
LEWISBURG	First Commerce Bank	71,797	62,057	355,904	4,603	21,885	507,040	458,367	3,744	0	44,929	3,086
LEXINGTON	Community Bank	3,043	15,022	168,199	2,051	8,289	192,502	169,271	4,147	0	19,084	2,289
LIVINGSTON	American Bank & Trust of the Cumberlands	126,550	1,754	181,501	607	26,421	335,619	294,195	2,201	0	39,223	2,945
LIVINGSTON	Union Bank & Trust Company	21,809	17,708	59,895	935	3,474	101,951	90,174	206	0	11,571	1,065
LOBELVILLE	Bank of Perry County	5,439	31,373	155,715	1,785	9,859	200,601	169,427	13,931	0	17,243	1,720

		(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	
CITY	INSTITUTION	Cash	Invest	Total Loans	Loan Loss Reserve	Other Assets	Total Assets	Deposits	Other Liabilities	MIUS	CAPITAL	Net Income
MADISONVILLE	Peoples Bank of East Tennessee	40,525	53,455	215,725	1,955	17,975	325,725	287,762	6,722	0	31,241	1,683
MADISONVILLE	Volunteer Federal Savings Bank	64,151	47,590	145,811	743	15,116	271,925	234,409	5,599	0	31,917	924
MANCHESTER	Coffee County Bank	10,734	21,408	199,443	2,719	4,719	233,585	204,508	2,670	0	26,407	3,107
MANCHESTER	Peoples Bank & Trust Company	44,148	11,930	81,361	1,170	5,232	141,501	124,955	1,361	0	15,185	1,346
MARYVILLE	CBBC Bank	57,437	169,482	225,551	4,407	11,105	459,168	383,428	11,364	0	64,376	2,615
MC KENZIE	McKenzie Banking Company	54,198	33,340	81,447	1,959	12,055	179,081	157,715	1,365	0	20,001	2,372
MCMINNVILLE	Homeland Community Bank	42,232	59,309	110,883	1,331	9,616	220,709	204,121	1,514	0	15,074	595
MCMINNVILLE	Security Federal Savings Bank of McMinnville Bank3	54,128	41,575	181,430	1,914	8,992	284,211	252,854	4,468	0	26,889	1,318
MEMPHIS	Financial Federal Bank	29,474	30,883	288,906	3,101	15,907	362,069	327,137	1,693	0	33,239	1,305
MEMPHIS	First Horizon Bank	21,803	2,500	725,821	8,781	9,834	751,177	649,965	10,441	0	90,771	7,629
MEMPHIS	Independent Bank	14,754,330	9,019,614	57,669,700	815,038	6,945,490	87,574,096	74,325,850	4,614,452	615	8,633,794	587,243
MEMPHIS	Paragon Bank	125,378	4,025	900,199	10,504	184,092	1,203,190	1,045,611	6,573	0	151,006	7,997
MEMPHIS	Tri-State Bank of Memphis	24,844	55,131	391,670	7,154	14,651	479,142	420,624	9,024	0	49,494	2,054
MEMPHIS	Triumph Bank	9,424	47,675	51,653	1,756	6,194	113,190	102,171	537	0	10,482	386
MEMPHIS	The Bank of Milan	11,527	139,764	727,898	12,117	19,532	886,604	715,084	82,395	0	89,125	3,080
MILAN	Patriot Bank	16,018	27,332	43,947	187	3,320	90,430	81,415	1,194	0	7,821	462
MILLINGTON	Southern Bank of Tennessee	7,792	192,297	237,513	2,945	22,043	456,700	383,955	26,842	0	45,903	4,011
MOUNT JULIET	Farmers State Bank	68,206	39,538	238,655	2,349	19,074	363,124	318,890	1,452	0	42,782	1,737
MOUNTAIN CITY	Johnson County Bank	5,496	74,194	94,362	1,037	10,817	183,832	155,378	4,375	0	24,079	813
MOUNTAIN CITY	CapStar Bank	1,142	73,788	66,733	581	5,694	146,776	120,713	3,789	0	22,274	1,797
NASHVILLE	Citizens Savings Bank and Trust Company	426,740	522,633	2,056,072	22,754	215,813	3,198,504	2,790,342	32,893	0	375,269	24,062
NASHVILLE	FirstBank	22,873	11,094	92,256	1,207	2,628	127,644	111,255	3,713	0	12,676	145
NASHVILLE	Fourth Capital Bank	1,654,599	1,465,842	8,020,483	144,663	884,476	11,880,737	10,233,136	290,499	93	1,357,102	97,602
NASHVILLE	InsBank	14,342	49,690	289,242	2,877	17,060	367,457	312,044	22,566	0	32,847	-401
NASHVILLE	Pinnacle Bank	61,421	28,094	534,573	7,225	41,154	658,017	533,822	57,298	0	66,897	3,145
NASHVILLE	Studio Bank	2,891,372	5,848,644	22,980,746	273,747	3,769,889	35,216,904	28,489,663	1,554,069	123	5,173,172	253,897
NASHVILLE	Truxton Trust Company	57,176	68,971	329,987	3,512	17,587	470,209	411,864	8,066	0	50,279	1,985
NASHVILLE	Security Bank	89,362	240,408	457,065	4,575	22,988	805,248	710,848	19,090	0	75,310	6,504
NEWBERN	TNBANK	9,498	142,535	65,615	1,203	15,213	231,658	177,393	27,970	0	26,295	1,288
OAK RIDGE	Millennium Bank	29,247	45,507	201,528	2,271	13,760	287,771	236,738	25,683	0	25,350	2,006
OOLTEWAH	Commercial Bank & Trust Co.	116,461	34,103	344,193	4,899	19,922	509,780	457,638	2,789	0	49,353	2,521
PARIS	Security Bank and Trust Company	134,460	393,945	505,752	7,440	48,824	1,075,541	961,471	8,727	0	105,343	8,677
PARIS		18,523	111,026	604,832	1,826	60,510	793,065	702,701	11,715	0	78,649	8,369

		(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	
CITY	INSTITUTION	Cash	Invest	Total Loans	Loan Loss Reserve	Other Assets	Total Assets	Deposits	Other Liabilities	MIUS	CAPITAL	Net Income
PARSONS	Farmers Bank	22,232	3,874	17,844	419	1,254	44,785	39,430	160	0	5,195	75
PIGEON FORGE	SmartBank	598,838	320,932	2,472,652	18,310	271,718	3,645,830	3,150,939	98,913	0	395,978	20,717
PIGEON FORGE	Tennessee State Bank	190,015	184,093	532,831	7,208	45,671	945,402	854,755	9,030	0	81,617	5,890
PIKEVILLE	First Farmers & Commercial Bank	14,056	42,913	126,285	1,100	7,539	189,693	172,810	781	0	16,102	909
PIPERTON	The Bank of Fayette County	39,256	61,286	592,877	8,120	35,217	720,516	643,553	5,775	0	71,188	4,919
PORTLAND	The Farmers Bank	65,817	240,642	474,747	5,899	39,103	814,410	708,146	11,015	0	95,249	5,642
PORTLAND	Volunteer State Bank	180,119	54,264	583,887	5,470	122,884	935,684	795,902	7,224	0	132,558	4,928
RIPLEY	Bank of Ripley	8,322	179,121	82,539	748	10,079	279,313	236,511	3,090	0	39,712	1,058
ROGERSVILLE	Civis Bank	51,975	43,596	43,178	887	7,751	145,613	106,709	1,610	0	37,294	332
ROGERSVILLE	First Community Bank of East Tennessee	55,618	16,098	112,144	1,788	15,892	197,964	169,617	6,258	0	22,089	518
RUTLEDGE	Citizens Bank and Trust Company of Grainger County	8,829	182,700	66,895	696	9,796	267,524	225,094	2,294	0	40,136	1,306
SARDIS	The Peoples Bank	7,001	41,784	62,679	610	2,896	113,750	103,511	686	0	9,553	313
SAVANNAH	Central Bank	14,102	33,373	71,284	1,263	5,605	123,101	109,057	570	0	13,474	388
SAVANNAH	The Hardin County Bank	14,755	82,171	444,790	4,780	33,067	570,003	507,561	8,519	0	53,923	3,687
SELMER	Home Banking Company	5,563	71,754	44,017	439	6,035	126,930	114,934	1,190	0	10,806	309
SEVIERVILLE	Sevier County Bank	62,827	72,006	304,913	3,647	39,135	475,234	431,409	2,914	0	40,911	2,675
SHELBYVILLE	First Community Bank of Tennessee	37,177	91,954	579,596	3,489	88,074	793,312	530,050	157,352	481	105,910	14,742
SHELBYVILLE	Peoples Bank Of Middle Tennessee	3,833	57,230	97,053	1,963	6,829	162,982	139,859	2,081	0	21,042	626
TAZEWELL	First Century Bank	69,046	52,510	378,337	4,860	20,400	515,433	467,179	3,738	0	44,516	3,603
TREZEVANT	Centennial Bank	131,123	55,548	448,185	6,774	38,201	666,283	580,316	14,000	0	71,967	2,545
TULLAHOMA	First Vision Bank of Tennessee	22,771	96,796	225,681	3,198	15,886	357,936	312,531	12,518	0	32,887	2,425
WAYNESBORO	Wayne County Bank	63,620	45,601	238,815	3,359	26,669	371,346	313,839	6,135	0	51,372	1,806
WINCHESTER	Citizens Community Bank	54,637	61,425	160,480	3,484	15,228	288,286	251,005	2,677	0	34,604	1,970
TOTAL		26,374,927	28,334,308	133,152,150	1,747,798	15,377,799	201,491,386	171,074,751	8,114,674	6,198	22,301,961	1,396,308

(A) Cash - Includes currency/coin, both interest-bearing and non-interest-bearing balances due from depository institutions

(B) Investments - Investments owned: Includes securities, federal funds sold, and securities purchased under agreements to resell

(C) Total Loans - Includes all loans and lease financing receivables, net of unearned income

(D) Loan Loss Reserve - Allowance for Loan and Lease Losses

(E) Other Assets - Includes premises and fixed assets, trading assets, other real estate owned, investments in unconsolidated subsidiaries and associated companies, customer's liability to bank on acceptances outstanding, intangible assets, and assets not reportable elsewhere.

(F) Deposits - Includes all interest bearing and non-interest-bearing customer deposits held.

(G) Other Liabilities - Includes federal funds purchased, securities sold under agreements to repurchase, demand notes issued to U.S. Treasury, mortgage indebtedness, obligations under capital leases, bank's liability on acceptances outstanding, and all other liabilities

(H) Minority Interest in Unconsolidated Subsidiaries

(I) Equity Capital - Includes preferred stock, common stock, surplus, undivided profits, and accumulated other comprehensive income

(J) Net Income - Income earned after all expenses, taxes, and extraordinary items

APPENDIX G: TENNESSEE STATE-CHARTERED TRUST COMPANIES CONSOLIDATED INCOME STATEMENT (IN THOUSANDS)

CITY	INSTITUTION LEGAL NAME	NET INCOME TO AVG TOTAL ASSETS RATIO	LOANS TO ASSETS RATIO	ALLOWANCE FOR LOAN LOSSES RATIO	TIER 1 CAPITAL (LEVERAGE) RATIO	NET LOANS TO DEPOSITS RATIO	NET INCOME TO AVG TOTAL EQUITY RATIO
BARTLETT	Bank of Bartlett	0.40	59.03	0.77	7.77	66.24	4.91
BELLS	Bank of Crockett	1.71	42.06	1.36	9.78	47.82	14.85
BRENTWOOD	Reliant Bank	1.78	81.86	0.82	11.14	96.13	13.63
BRIGHTON	Brighton Bank	2.01	54.25	1.19	7.08	62.01	29.16
BROWNSVILLE	INSOUTH Bank	1.95	77.04	1.08	9.27	85.46	21.06
BYRDSTOWN	People's Bank and Trust Company of Pickett County	1.99	67.08	1.42	11.76	76.75	16.96
CAMDEN	Apex Bank	4.24	67.12	1.27	13.05	83.23	33.28
CARTHAGE	Citizens Bank	2.39	41.89	1.08	16.29	51.58	13.23
CHATTANOOGA	First Volunteer Bank	1.45	62.24	2.38	10.62	70.10	13.40
CLARKSVILLE	F&M Bank	1.66	75.76	0.61	9.01	88.69	15.07
CLARKSVILLE	Legends Bank	1.46	66.52	1.42	8.89	74.49	15.95
CLEVELAND	Bank of Cleveland	2.01	72.79	1.13	15.89	88.81	12.78
CLIFTON	Peoples Bank	1.08	69.76	1.43	9.91	77.72	10.95
COLLIERVILLE	BankTennessee	1.22	78.88	1.45	8.07	86.73	13.67
COLLIERVILLE	Landmark Community Bank	1.12	79.37	0.79	10.35	95.14	11.06
COLUMBIA	First Farmers and Merchants Bank	0.92	47.97	1.05	8.00	53.07	10.74
COLUMBIA	Heritage Bank & Trust	0.86	73.68	1.84	8.80	82.01	9.70
COOKEVILLE	One Bank of Tennessee	1.30	52.84	0.56	7.08	57.89	18.19
COOKEVILLE	Putnam 1st Mercantile Bank	1.31	63.63	1.43	10.60	71.50	12.32
DAYTON	SimplyBank	0.59	69.22	1.35	9.15	77.74	6.22
DECATURVILLE	Decatur County Bank	1.77	71.62	1.04	9.38	81.97	20.16
DICKSON	Bank of Dickson	0.62	48.71	1.17	10.61	56.01	5.40
DICKSON	First Federal Bank	1.40	46.11	2.13	9.73	53.06	12.23
DICKSON	TriStar Bank	0.76	60.39	1.47	8.05	67.64	9.16
DUNLAP	Citizens Tri-County Bank	1.89	54.27	1.58	9.17	60.77	19.21

CITY	INSTITUTION LEGAL NAME	NET INCOME TO AVG TOTAL ASSETS RATIO	LOANS TO ASSETS RATIO	ALLOWANCE FOR LOAN LOSSES RATIO	TIER 1 CAPITAL (LEVERAGE) RATIO	NET LOANS TO DEPOSITS RATIO	NET INCOME TO AVG TOTAL EQUITY RATIO
DUNLAP	Mountain Valley Bank	0.48	64.73	1.08	7.93	70.64	5.88
ELIZABETHTON	Citizens Bank	2.69	77.79	1.30	11.65	90.63	22.73
ERIN	Traditions First Bank	0.99	49.26	0.97	7.74	54.39	11.82
FARRAGUT	SouthEast Bank	0.93	85.35	0.42	8.70	95.25	10.96
FAYETTEVILLE	Bank of Lincoln County	1.43	59.75	1.36	11.34	67.82	12.65
FRANKEWING	Bank of Frankewing	0.78	67.83	1.81	9.98	75.75	7.73
FRANKLIN	Lineage Bank	-8.35	25.02	0.39	18.23	33.68	-47.15
GALLATIN	Sumner Bank & Trust	1.21	66.73	0.93	10.02	74.56	12.09
GATES	Gates Banking and Trust Company	0.86	25.34	2.17	10.22	29.02	7.29
GERMANTOWN	First Capital Bank	1.02	80.17	1.08	10.24	95.52	9.86
GLEASON	Bank of Gleason	1.27	38.84	1.24	21.73	50.20	5.67
GREENEVILLE	Andrew Johnson Bank	1.04	65.25	1.86	9.48	72.58	10.68
GREENEVILLE	Heritage Community Bank	0.84	77.64	1.58	9.63	89.44	8.67
GREENFIELD	Greenfield Banking Company	0.88	66.20	1.51	8.19	74.09	10.86
HALLS	Bank of Halls	1.14	41.21	1.42	8.38	46.02	12.41
HALLS	The Lauderdale County Bank	0.44	40.05	1.34	9.51	45.20	4.46
HARROGATE	Commercial Bank	1.32	71.76	0.95	9.53	84.48	13.83
HARTSVILLE	Citizens Bank	1.00	62.35	1.70	9.83	70.20	10.30
HUNTINGDON	Carroll Bank and Trust	1.27	66.12	0.96	9.05	73.23	13.86
JACKSON	The Bank of Jackson	1.08	24.59	2.03	9.23	29.69	9.47
JAMESTOWN	Union Bank	0.17	37.63	1.59	10.44	42.30	1.61
JASPER	Tower Community Bank	1.21	72.46	0.84	8.99	80.60	13.31

CITY	INSTITUTION LEGAL NAME	NET INCOME TO AVG TOTAL ASSETS RATIO	LOANS TO ASSETS RATIO	ALLOWANCE FOR LOAN LOSSES RATIO	TIER 1 CAPITAL (LEVERAGE) RATIO	NET LOANS TO DEPOSITS RATIO	NET INCOME TO AVG TOTAL EQUITY RATIO
JEFFERSON CITY	First Peoples Bank of Tennessee	1.09	59.91	1.74	8.42	68.32	13.37
JELICO	UBank	0.14	56.66	1.47	16.45	68.75	0.88
KINGSPORT	Bank of Tennessee	1.57	72.30	0.91	8.48	81.61	18.12
KNOXVILLE	Mountain Commerce Bank	2.33	79.51	0.97	10.61	98.17	22.17
LA FOLLETTE	Peoples Bank of the South	2.24	68.02	1.18	11.71	78.48	19.25
LAFAYETTE	Citizens Bank of Lafayette	1.33	56.33	1.57	9.13	64.85	13.34
LAFAYETTE	Macon Bank and Trust Company	0.65	36.54	1.36	10.21	41.91	5.98
LAWRENCEBURG	Lawrenceburg Federal Bank	0.39	80.20	0.32	21.08	104.42	1.85
LEBANON	CedarStone Bank	0.85	64.05	1.31	9.49	78.74	8.73
LEBANON	First Freedom Bank	1.42	78.24	1.51	10.02	91.70	15.22
LEBANON	Wilson Bank and Trust	1.32	65.18	1.63	10.76	73.50	12.06
LEWISBURG	First Commerce Bank	1.25	69.28	1.29	8.79	76.64	14.00
LEXINGTON	Community Bank	2.44	86.31	1.22	9.75	98.16	25.51
LIVINGSTON	American Bank & Trust of the Cumberland	1.79	53.90	0.33	8.47	61.49	15.45
LIVINGSTON	Union Bank & Trust Company	2.15	57.83	1.56	11.28	65.38	19.14
LOBELVILLE	Bank of Perry County	1.79	76.73	1.15	8.72	90.85	19.92
MADISONVILLE	Peoples Bank of East Tennessee	1.11	65.63	0.91	9.51	74.29	11.06
MADISONVILLE	Volunteer Federal Savings Bank	0.70	53.35	0.51	11.92	61.89	5.86
MANCHESTER	Coffee County Bank	2.67	84.22	1.36	10.98	96.19	23.95
MANCHESTER	Peoples Bank & Trust Company	2.04	56.67	1.44	10.86	64.18	18.63
MARYVILLE	CBBC Bank	1.20	48.16	1.95	13.71	57.68	8.30
MCKENZIE	McKenzie Banking Company	2.79	44.39	2.41	11.48	50.40	25.11
MCMINNVILLE	Homeland Community Bank	0.58	49.64	1.20	7.21	53.67	7.98
MCMINNVILLE	Security Federal Savings Bank of McMinnville	0.97	63.16	1.05	9.57	71.00	9.94

CITY	INSTITUTION LEGAL NAME	NET INCOME TO AVG TOTAL ASSETS RATIO	LOANS TO ASSETS RATIO	ALLOWANCE FOR LOAN LOSSES RATIO	TIER 1 CAPITAL (LEVERAGE) RATIO	NET LOANS TO DEPOSITS RATIO	NET INCOME TO AVG TOTAL EQUITY RATIO
MEMPHIS	Bank3	0.74	78.94	1.07	9.22	87.37	8.09
MEMPHIS	Financial Federal Bank	2.00	95.46	1.21	11.93	110.32	17.20
MEMPHIS	First Horizon Bank	1.37	64.92	1.41	8.23	76.49	13.78
MEMPHIS	Independent Bank	1.32	73.94	1.17	11.40	85.09	10.82
MEMPHIS	Paragon Bank	0.86	80.25	1.83	10.10	91.42	8.33
MEMPHIS	Tri-State Bank of Memphis	0.72	44.08	3.40	7.56	48.84	7.54
MEMPHIS	Triumph Bank	0.70	80.73	1.66	9.87	100.10	7.01
MILAN	The Bank of Milan	1.04	48.39	0.43	8.27	53.75	12.04
MILLINGTON	Patriot Bank	1.75	51.36	1.24	8.76	61.09	18.05
MOUNT JULIET	Southern Bank of Tennessee	0.97	65.08	0.98	11.15	74.10	8.16
MOUNTAIN CITY	Farmers State Bank	0.91	50.77	1.10	13.31	60.06	6.82
MOUNTAIN CITY	Johnson County Bank	2.49	45.07	0.87	14.55	54.80	16.76
NASHVILLE	CapStar Bank	1.57	63.57	1.11	10.73	72.87	13.20
NASHVILLE	Citizens Savings Bank and Trust Company	0.24	71.33	1.31	10.19	81.84	2.97
NASHVILLE	FirstBank	1.67	66.29	1.80	9.72	76.96	14.37
NASHVILLE	Fourth Capital Bank	-0.23	77.93	0.99	9.81	91.77	-2.59
NASHVILLE	InsBank	0.98	80.14	1.35	10.40	98.79	9.59
NASHVILLE	Pinnacle Bank	1.47	64.48	1.19	9.60	79.70	10.03
NASHVILLE	Studio Bank	0.93	69.43	1.06	11.49	79.27	8.06
NASHVILLE	Truxton Trust Company	1.75	56.19	1.00	9.47	63.65	18.05
NEWBERN	Security Bank	1.13	27.80	1.83	9.34	36.31	9.86
OAK RIDGE	TNBANK	1.44	69.24	1.13	8.75	84.17	16.39
OOLTEWAH	MILLENNIUM BANK	1.03	66.56	1.42	9.10	74.14	10.39
PARIS	Commercial Bank & Trust Co.	1.70	46.33	1.47	9.13	51.83	17.08
PARIS	Security Bank and Trust Company	2.19	76.03	0.30	9.33	85.81	21.95
PARSONS	Farmers Bank	0.33	38.91	2.35	11.25	44.19	2.89
PIGEON FORGE	SmartBank	1.20	67.32	0.74	8.75	77.89	10.62
PIGEON FORGE	Tennessee State Bank	1.34	55.60	1.35	8.71	61.49	14.62
PIKEVILLE	First Farmers & Commercial Bank	1.01	65.99	0.87	8.67	72.44	11.45
PIPERTON	The Bank of Fayette County	1.36	81.16	1.37	9.83	90.86	14.18

CITY	INSTITUTION LEGAL NAME	NET INCOME TO AVG TOTAL ASSETS RATIO	LOANS TO ASSETS RATIO	ALLOWANCE FOR LOAN LOSSES RATIO	TIER 1 CAPITAL (LEVERAGE) RATIO	NET LOANS TO DEPOSITS RATIO	NET INCOME TO AVG TOTAL EQUITY RATIO
PORTLAND	The Farmers Bank	1.45	57.57	1.24	11.93	66.21	12.07
PORTLAND	Volunteer State Bank	1.07	61.82	0.94	7.96	72.67	7.40
RIPLEY	Bank of Ripley	0.78	29.28	0.91	12.98	34.58	5.41
ROGERSVILLE	Civis Bank	0.59	29.04	2.05	29.93	39.63	4.88
ROGERSVILLE	First Community Bank of East Tennessee	0.53	55.75	1.59	10.89	65.06	4.74
RUTLEDGE	Citizens Bank and Trust Company of Grainger County	1.04	24.75	1.04	13.78	29.41	6.51
SARDIS	The Peoples Bank	0.56	54.57	0.97	8.23	59.96	6.62
SAVANNAH	Central Bank	0.63	56.88	1.77	10.46	64.21	5.80
SAVANNAH	Hardin County Bank	1.30	77.19	1.07	9.30	86.69	14.16
SELMER	Home Banking Company	0.53	34.33	1.00	8.37	37.92	5.62
SEVIERVILLE	Sevier County Bank	1.19	63.39	1.20	7.93	69.83	13.82
SHELBYVILLE	First Community Bank of Tennessee	3.64	72.62	0.60	12.12	108.69	28.59
SHELBYVILLE	Peoples Bank of Middle Tennessee	0.77	58.34	2.02	12.84	67.99	5.99
TAZEWELL	First Century Bank	1.45	72.46	1.28	8.66	79.94	16.71
TREZEVANT	Centennial Bank	0.78	66.25	1.51	9.69	76.06	7.10
TULLAHOMA	First Vision Bank of Tennessee	1.45	62.16	1.42	9.79	71.19	15.00
WAYNESBORO	Wayne County Bank	1.00	63.41	1.41	13.69	75.02	7.13
WINCHESTER	Citizens Community Bank	1.37	54.46	2.17	11.72	62.55	11.59
	Median Including All Institutions	1.20	64.05	1.27	9.75	72.67	11.59

APPENDIX H: TENNESSEE STATE-CHARTERED TRUST COMPANIES STATEMENT OF CONDITION (IN THOUSANDS)

	June 30, 2021	June 30, 2020	\$ Change	% Change
ASSETS				
Cash and Due from Banks	80,454	45,663	34,791	76.19%
Securities and Investments	9,544	8,726	818	9.37%
Premises and Fixed Assets	11,034	7,379	3,655	49.53%
Intangible Assets	92,234	32,562	59,672	183.26%
Other Assets	56,868	31,150	25,718	82.56%
TOTAL ASSETS	250,134	125,480	124,654	99.34%
LIABILITIES				
Other Liabilities	68,798	41,389	27,409	66.22%
TOTAL LIABILITIES	68,798	41,389	27,409	66.22%
EQUITY CAPITAL				
Common Stock	17,402	16,450	952	5.79%
Less: Treasury Stock	1,319	1,319	0	0%
Surplus	138,432	64,136	74,296	115.84%
Undivided Profits	26,733	4,698	22,035	469.03%
Unrealized Gains and (Losses)	88	126	-38	-30.16%
TOTAL EQUITY CAPITAL	181,336	84,091	97,245	115.64%
TOTAL LIABILITIES AND EQUITY CAPITAL	250,134	125,480	124,654	99.34%

APPENDIX I: TENNESSEE STATE-CHARTERED TRUST COMPANIES CONSOLIDATED INCOME STATEMENT (IN THOUSANDS)

	June 30, 2021	June 30, 2020	\$ Change	% Change
Fee Income	144,289	90,336	53,953	59.72%
NET FEE INCOME	144,289	90,336	53,953	59.72%
Other Income	556	139	417	300.00%
TOTAL INCOME	144,845	90,475	54,370	60.09%
Operating Expenses	115,864	75,829	40,035	52.80%
Securities (Gains) and Losses	8	0	8	
TOTAL OPERATING EXPENSES	115,872	75,829	40,043	52.81%
Pre-Tax Net Operating Income	28,973	14,646	14,327	97.82%
Applicable Income Taxes	3,534	1,473	2,061	139.92%
Non-Operating Expenses	5,702	3,598	2,104	58.48%
NET OPERATING INCOME	19,737	9,575	10,162	106.13%
Extraordinary Gains/Losses	1,883	0	1,883	
NET INCOME	21,620	9,575	12,045	125.80%

APPENDIX J: TENNESSEE STATE-CHARTERED TRUST COMPANIES STATEMENT OF CONDITION (IN THOUSANDS)

		(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)
Institution	City	Cash	Invest	Other Assets	Total Assets	Other Liabilities	Equity Capital	Net Income	TAUM	Common/Collective Funds	No. of Funds
Thrivent Trust Company of Tennessee	Brentwood	30,790	0	25,317	56,107	31,024	25,083	-413	10,389,362	0	0
Advocacy Trust, LLC	Chattanooga	2,894	0	927	3,821	1,090	2,731	365	815,910	0	0
Magnolia Trust Company	Chattanooga	2,944	0	805	3,749	708	3,041	1,395	1,350,323	0	0
Southeastern Trust Company	Chattanooga	2,706	0	2,092	4,798	122	4,676	369	551,738	0	0
American Trust Company	Cordova	4,326	0	86,310	90,636	7,631	83,005	2,921	8,655,003	2,729,035	118
Meridian Trust and Investment	Knoxville	124	2,181	1,143	3,448	183	3,265	1,735	1,045,281	0	0
The Trust Company of Tennessee	Knoxville	4,918	0	1,277	6,195	1,063	5,132	3,095	4,602,512	0	0
TCV Trust & Wealth Company	Knoxville	1,601	4,494	1,936	8,031	790	7,241	1,470	1,695,605	0	0
Diversified Trust Company	Memphis	7,341	0	10,441	17,782	13,691	4,091	0	8,417,962	2,835,202	12
Argent Trust Company	Nashville	6,905	0	22,970	29,875	8,306	21,569	3,157	29,800,919	0	0
Counsel Trust Company	Nashville	210	1,841	1,195	3,246	284	2,962	361	2,614,778	33,275	10
Cumberland Trust and Investment	Nashville	7,528	0	4,587	12,115	1,445	10,670	5,114	5,211,510	0	0
Equitable Trust Company	Nashville	4,074	1,028	548	5,650	2,368	3,282	1,761	4,178,882	0	0
Pendleton Square Trust Co., LLC	Nashville	2,010	0	464	2,474	90	2,384	246	1,592,285	0	0
The Entrust Trust Company	Nashville	2,083	0	124	2,207	3	2,204	44	4,267,231	0	0
Totals		80,454	9,544	160,136	250,134	68,798	181,336	21,620	85,189,301	5,597,512	140

Cash - Includes currency and coin, and both interest bearing and non-interest-bearing balances due from depository institutions

Investments - Investments Owned

Other Assets - Includes premises and fixed assets, investments in unconsolidated subsidiaries, intangible assets, and all other assets

Total Assets - The sum of (A) through (C)

Other Liabilities - Includes all liabilities

Equity Capital - Includes preferred stock, common stock, treasury stock, debt capital, surplus, undivided profits, and all other capital reserves net of any unrealized holding gains (losses) on available for sale securities

Net Income - Income earned after all expenses, taxes, and extraordinary items

Total Assets Under Management - Total Discretionary and Non-Discretionary Assets Under Management and/or Custody inclusive of funds held in Common/Collective Funds

Common/Collective Funds - Assets held in Common and/or Collective Investment Funds trustee by company at market value

Number of Funds - Number of Common/Collective Funds

Note: Guardianship and Trust Company is not included.

COMPLIANCE DIVISION

APPENDIX K: CHECK CASHING STATEMENT OF INCOME AND EXPENSES

The following information was compiled from the statements of income and expenses for the period of January 1, 2020, to December 31, 2020.

Total Operating Income	\$27,604,382
Salary Expense	\$6,455,627
Bad Debt Expense	\$2,280,773
Owners' Compensation	\$1,028,061
Net Income*	\$748,103

*Excluding Owners' Compensation

Of the 77 reporting companies, 11 reported operating losses and 16 reported net income of over \$100,000 for the period ending December 31, 2020. The average company made a profit of \$24,331. Salaries are a major company expense, amounting to about 23% of total operating income. The average salary expense for a reporting company was \$88,433. Losses on receivables constitute another major industry expense. Bad debt expense represented approximately 8% of total operating income.

APPENDIX L: DEFERRED PRESENTMENT ANNUAL REPORT INFORMATION FOR CALENDAR YEAR ENDING DECEMBER 31, 2020

Licensees are required by Tenn. Code Ann. § 45-17-119 to file with the Commissioner of Financial Institutions, an Annual Report covering the licensee's business activities as of the close of business on December 31 of the prior year. These reports include a balance sheet, statement of income and expense, as well as other statistical data.

The following tabulation represents aggregate information from reports filed by 113 licensed companies. The Department did not require an annual report from companies that opened after December 2020.

DEFERRED PRESENTMENT STATEMENT OF ASSETS, LIABILITIES, AND EQUITY

Total Assets	\$857,304,324
Total Liabilities	\$429,166,341
Net Worth	\$428,137,646

DEFERRED PRESENTMENT STATEMENT OF INCOME AND EXPENSES

The following information was compiled from the statements of income and expenses for the period of January 1, 2020, to December 31, 2020.

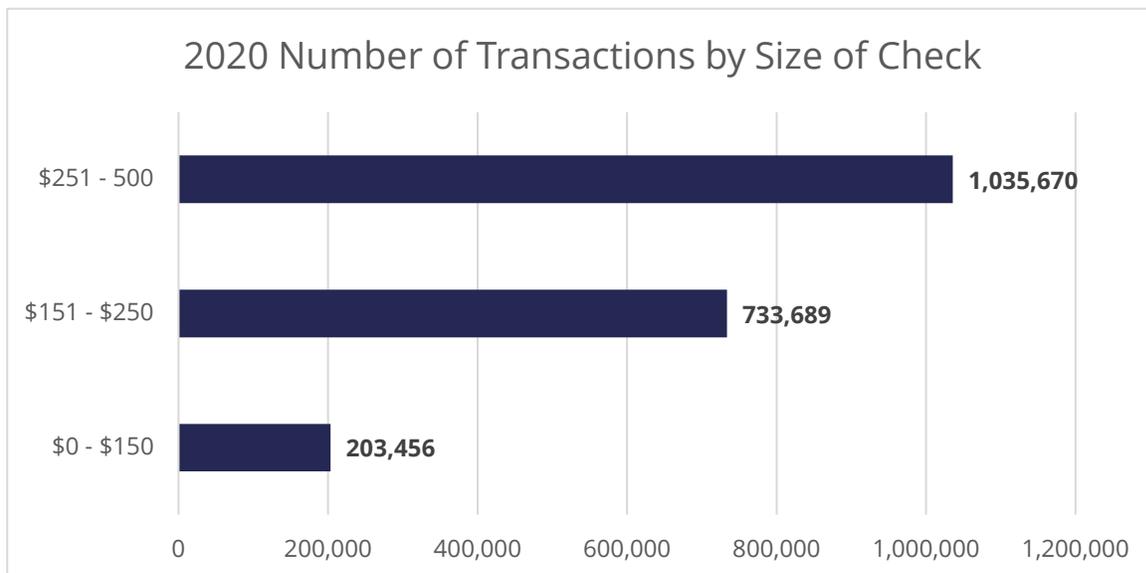
Total Operating Income	\$91,678,736
Salary Expense	\$30,244,162
Bad Debt Expense	\$12,754,222
Owners' Compensation	\$1,574,895
Net Income*	\$5,016,903

*Excluding Owners' Compensation

Of the 113 reporting companies, 48 reported operating losses and 16 reported net income of over \$100,000 for the period ending December 31, 2020. Losses on receivables constitute a major industry expense. Bad debt expense represented approximately 14% of total operating income.

DEFERRED PRESENTMENT TRANSACTIONAL DATA

Number of Transactions	1,972,815
Dollar Amount of Transactions During the Year	\$397,149,639
Average Size of Receivable Transactions	\$201



APPENDIX M: FLEXIBLE CREDIT ANNUAL REPORT INFORMATION FOR CALENDAR YEAR ENDING DECEMBER 31, 2020

Under Tenn. Code Ann. § 45-12-122, the Commissioner shall prepare and submit to the Governor and General Assembly, annually, an analysis and recapitulation of the reports for the preceding calendar year for the purpose of reflecting the general results of operations under this chapter. The following tabulation represents aggregate information from the audited financial statements of 37 reporting entities.

FLEXIBLE CREDIT STATEMENT OF ASSETS, LIABILITIES, AND EQUITY

Total Assets	\$718,588,079
Total Liabilities	\$309,402,319
Net Worth	\$409,185,760

FLEXIBLE CREDIT STATEMENT OF INCOME AND EXPENSES

The following information was compiled from the statements of income and expenses for the period of January 1, 2020, to December 31, 2020.

Total Operating Income	\$662,904,440
Salary Expense	\$95,247,593
Bad Debt Expense	\$185,335,123
Owners' Compensation	\$1,475,278
Net Income*	\$151,764,582

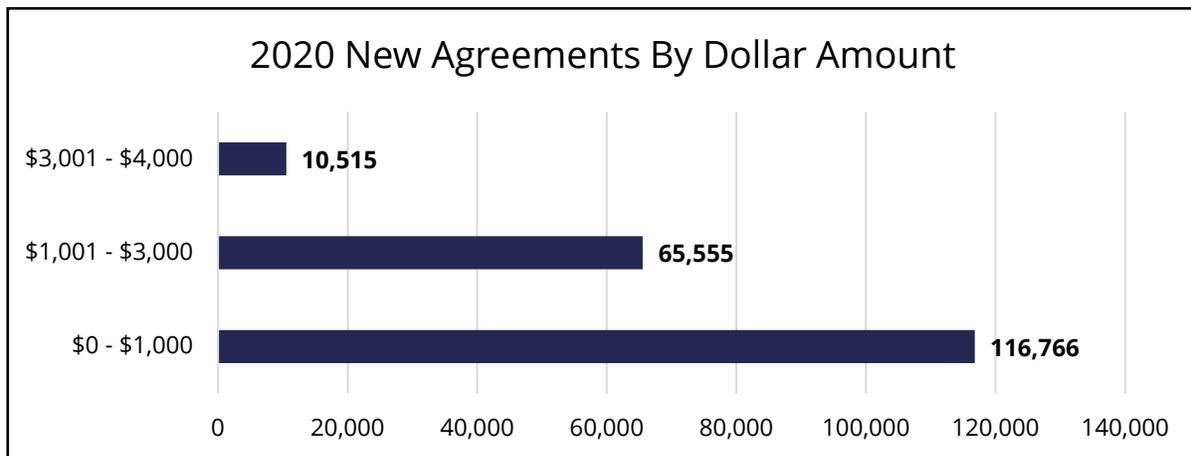
*Excluding Owners' Compensation

Of the 37 reporting companies, 17 entities reported operating losses. Salaries are a major company expense, amounting to about 14% of total operating income. Losses on receivables constitute another major industry expense. Bad debt expense represented approximately 28% of total operating income.

FLEXIBLE CREDIT TRANSACTIONAL DATA

Number of New Agreements Entered Into for 2020	192,836
Dollar Amount of New Agreements During 2020	\$173,859,679

Distribution of 2020 New Agreements by Dollar Amount: (Maximum agreement amount = \$4,000)



APPENDIX N: INDUSTRIAL LOAN AND THRIFT COMPANIES COMPOSITE ANNUAL REPORT YEAR ENDING DECEMBER 31, 2020

Number of Companies Included in This Report	250
Number of Offices Included in This Report	1,282
Number of Employees Included in This Report	5,360
RATE OF RETURN	
Average Monthly Gross Receivable (Industry)	\$2,991,808,817
Net Income (Industry)	\$50,423,645
Rate of Return on Outstanding Receivables	1.69
ANALYSIS OF ACCOUNTS OUTSTANDING (MONTHLY AVERAGE)	
Average Number of Accounts Outstanding (Industry)	544,913
Average Number of Accounts Outstanding (Company)	2,180
Average Number of Accounts Outstanding (Location)	425
OTHER INFORMATION	
Number of Loans Outstanding at Beginning of Year	696,829
Dollar Amount of Loans Outstanding at Beginning of Year	\$2,452,327,577
Average Amount per Loan Outstanding at Beginning of Year	\$3,519
Number of Loans Made During the Year	974,693
Dollar Amount of Loans Made During the Year	\$2,519,967,609
Average Amount per Loan Made	\$2,585
Number of Loans Charged Off During the Year	172,603
Dollar Amount of Loans Charged Off During the Year	\$173,342,948
Average Account Balance Charged Off	\$1,004
Number of Loans Outstanding at Year End	521,862
Dollar Amount of Loans Outstanding at Year End	\$2,367,770,361
Average Account Balance per Loan Outstanding at Year End	\$4,537

APPENDIX O: TITLE PLEDGE ANNUAL REPORT INFORMATION FOR CALENDAR YEAR ENDING DECEMBER 31, 2020

The following tabulation represents aggregate information from reports filed by 72 licensed companies. The Department did not require an annual report from companies that opened after December 2020.

TITLE PLEDGE STATEMENT OF ASSETS, LIABILITIES, AND EQUITY

Total Assets	\$483,332,732
Total Liabilities	\$62,078,959
Net Worth	\$421,253,774

TITLE PLEDGE STATEMENT OF INCOME AND EXPENSES

The following information was compiled from the statements of income and expenses for the period of January 1, 2020, to December 31, 2020.

Total Operating Income	\$76,479,059
Salary Expense	\$18,068,689
Bad Debt Expense	\$12,754,920
Owners' Compensation	\$753,445
Net Income*	\$10,352,721

*Excluding Owners' Compensation

Of the 72 reporting companies, 28 reported operating losses and eight (8) reported net income of over \$100,000 for the period ending December 31, 2020. The average company made a profit of \$154,610.

Salaries are a major company expense, amounting to about 24% of total operating income. The average salary expense for a reporting company was \$254,489. Losses on receivables constitute another major industry expense. Bad debt expense represented approximately 17% of total operating income.

TITLE PLEDGE TRANSACTIONAL DATA

The following transactional data was reported for the reporting period ending December 31, 2020:

Number of New Agreements Entered into for 2020	48,666
Dollar Amount of New Agreements During 2020	\$32,687,676
Number of Customers Holding an Agreement on 12/31/2020	42,949
Number of Customers Who Deferred a Principal Payment in 2020	4,871
Number of Defaults	22,455
Number of Repossessions	7,742
Total Surplus Amount Returned to Customers after Sale of Repossessed Vehicles	\$174,494

CREDIT UNION DIVISION

APPENDIX P: TENNESSEE STATE-CHARTERED CREDIT UNIONS' KEY RATIOS

	June 2020	June 2021
<u>CAPITAL ADEQUACY</u>		
Net Worth/Total Assets	11.98	11.41
Total Delinquent Loans / Net Worth	1.94	1.16
Solvency Evaluation (Estimated)	113.62	112.86
Classified Assets (Estimated) / Net Worth	4.41	4.42
<u>ASSET QUALITY</u>		
Delinquent Loans / Total Loans	0.31	0.18
* Net Charge-Offs / Average Loans	0.32	0.15
Fair (Market) HTM Invest Value/Book Value HTM Invest.	100.33	100.04
Accum Unreal G/L On AFS/Cost Of AFS	0.91	-0.32
Delinquent Loans / Assets	0.23	0.13
<u>EARNINGS</u>		
* Return On Average Assets	0.97	1.23
* Return On Average Assets Excluding Stabilization Income/Expense & NCUSIF Premium	N/A	N/A
* Gross Income/Average Assets	5.05	4.52
* Yield on Average Loans	4.69	4.33
* Yield on Average Investments	1.13	0.40
* Fee & Other Operating Income / Avg. Assets	1.26	1.27
* Cost of Funds / Avg. Assets	0.85	0.53
* Net Margin / Avg. Assets	4.2	3.99
* Operating Exp./ Avg. Assets	2.92	2.65
* Provision For Loan & Lease Losses / Average Assets	0.31	0.14
* Net Interest Margin/Avg. Assets	2.94	2.72
Operating Exp./Gross Income	57.81	58.54
Fixed Assets & Foreclosed & Repossessed Assets / Total Assets	2.34	2.00
* Net Operating Exp. /Avg. Assets	2.35	2.15
<u>ASSET / LIABILITY MANAGEMENT</u>		
Net Long-Term Assets / Total Assets	34.88	36.03
Reg. Shares / Total Shares & Borrowings	34.13	37.94
Total Loans / Total Shares	86.26	83.08
Total Loans / Total Assets	74.14	72.18
Cash + Short-Term Investments / Assets	17.63	18.89
Total Shares, Dep. & Borrowings/Earning Assets	92.11	92.23

	June 2020	June 2021
Reg /Shares + Short-Term Investments/Assets	52.05	57.28
Borrowings/Total Shares & Net Worth	1.44	0.99
<u>PRODUCTIVITY</u>		
Members/Potential Members	7.49	7.54
Borrowers/Members	59.2	73.49
Members/Full-Time Employees	357.87	367.93
Avg. Shares Per Member	\$11,507	\$12,899
Avg. Loan Balance	\$16,764	\$16,879
*Salary And Benefits/Full-Time Employees	\$72,578	\$75,390
<u>OTHER RATIOS</u>		
*Net Worth Growth	7.89	10.91
*Market (Share) Growth	24.63	17.77
* Loan Growth	9.72	11.69
*Asset Growth	22.41	16.08
*Investment Growth	81.97	37.53
*Membership Growth	4.14	5.97
*Annualized Ratios		

***Note:** The Net Income shown in the Equity section of the Consolidated Balance Sheet will not reconcile to the Net Income shown on the Consolidated Income Statement. This is because credit unions are not required to close out their accounting records on a quarterly basis, only on a year-end basis.

APPENDIX Q: TENNESSEE STATE-CHARTERED CREDIT UNIONS CONSOLIDATED BALANCE SHEET

	June 2020	June 2021
ASSETS		
CASH:		
Cash On Hand	199,685,832	204,598,911
Cash On Deposit	1,817,909,121	2,525,773,704
Cash Equivalents	75,330,754	69,461,692
TOTAL CASH & EQUIVALENTS	2,092,925,407	2,799,834,307
INVESTMENTS:		
Trading Securities	N/A	N/A
Available for Sale Securities	N/A	N/A
Held-to-Maturity Securities	0	0
Deposits in Commercial Banks, S&Ls, Savings Banks	499,242,708	427,944,274
Loans to, Deposits in, and Investments in Natural Person Credit Unions	85,543,139	69,521,287
Total MCSD/Nonperpetual Contributed Capital and PIC/Perpetual Contributed Capital	27,326,370	27,308,111
All Other Investments in Corporate CUs	16,258,346	12,704,318
All Other Investments	47,331,890	54,163,139
TOTAL INVESTMENTS	1,221,319,979	1,396,449,386
LOANS HELD FOR SALE	11,711,517	7,821,939
LOANS AND LEASES:		
Unsecured Credit Card Loans	292,792,149	290,952,370
All Other Unsecured Loans/Lines of Credit	330,392,026	318,171,367
Payday Alternative Loans (PAL Loans)	0	0
(FCUs only)		
Non-Federally Guaranteed Student Loans	75,379,077	73,082,407
New Vehicle Loans	2,376,432,952	2,769,705,992
Used Vehicle Loans	2,045,594,308	2,239,984,128
Leases Receivable	216,266	105,528
All Other Secured Non-Real Estate Loans/Lines of Credit	620,903,644	707,886,612
Residential Properties	4,288,852,073	4,892,785,215
Total Loans/Lines of Credit Secured by Junior Lien 1-4 Family Residential Properties	318,927,276	296,831,281
All Other Real Estate Loans/Lines of Credit	16,230,804	16,157,378
Commercial Loans/Lines of Credit Real Estate	774,786,843	870,784,083

	June 2020	June 2021
Commercial Loans/Lines of Credit Not Real Estate Secured	14,311,409	14,771,173
TOTAL LOANS & LEASES	11,154,818,827	12,491,217,534
(ALLOWANCE FOR LOAN & LEASE LOSSES)	(79,454,239)	(87,336,488)
Foreclosed Real Estate	1,144,412	449,661
Repossessed Autos	2,608,707	1,937,573
Foreclosed and Repossessed Other Assets	483,043	177,917
TOTAL FORECLOSED and REPOSSESSED ASSETS	4,236,162	2,565,151
Land and Building	300,109,125	296,923,625
Other Fixed Assets	43,153,504	41,956,129
NCUA Share Insurance Capitalization Deposit	107,326,982	128,067,544
Identifiable Intangible Assets	-11,563	4,235
Goodwill	280,627	276,895
TOTAL INTANGIBLE ASSETS	269,064	281,130
Accrued Interest on Loans	31,720,740	31,759,666
Accrued Interest on Investments	2,752,630	2,015,857
Non-Trading Derivative Assets, net	388,770	4,291,989
All Other Assets	153,632,205	190,402,752
TOTAL OTHER ASSETS	188,494,345	228,470,264
TOTAL ASSETS	15,044,910,673	17,306,250,521
TOTAL CU's	79	76
LIABILITIES, SHARES AND EQUITY		
LIABILITIES:		
Other Borrowings	N/A	N/A
Other Notes, Promissory Notes, Interest Payable, & Draws Against Lines of Credit	211,606,989	168,081,286
Borrowing Repurchase Transactions	0	0
Subordinated Debt	0	0
Uninsured Secondary Capital and Subordinated Debt Included in Net Worth	0	0
Non-Trading Derivative Liabilities, net	11,797	3,672
Accrued Dividends and Interest Payable	2,583,887	1,003,336
Accounts Payable & Other Liabilities	136,847,795	168,710,052
SHARES AND DEPOSITS		

	June 2020	June 2021
Share Drafts	2,356,596,480	2,940,310,226
Regular Shares	4,464,209,404	5,767,164,222
Money Market Shares	1,297,936,978	1,868,723,396
Share Certificates	3,638,582,474	3,301,906,275
IRA/KEOGH Accounts	824,188,073	859,869,479
All Other Shares	131,709,645	152,803,256
Non-Member Deposits	197,900,854	143,807,595
TOTAL SHARES AND DEPOSITS	12,932,307,459	15,034,584,449
TOTAL LIABILITIES	13,283,357,927	15,372,382,795
EQUITY:		
Undivided Earnings	1,154,416,300	1,243,459,013
Regular Reserves	586,496,730	656,998,707
Appropriation for Non-Conforming Investments (SCU Only)	0	0
Other Reserves	20,518,676	18,876,143
Equity Acquired in Merger	26,429,642	26,662,027
Miscellaneous Equity	31,062	31,062
Accumulated Unrealized Gains (Losses) on Available for Sale Debt Securities	2,481,344	-1,507,607
Accumulated Unrealized Losses for OTTI (due to Other factors) on HTM Debt Securities	0	-877
Accumulated Unrealized G/L on Cash Flow Hedges	0	0
Other Comprehensive Income	-43,568,488	-39,272,426
Net Income *	14,747,480	28,621,684
EQUITY TOTAL	1,761,552,746	1,933,867,726
TOTAL SHARES & EQUITY	14,693,860,205	16,968,452,175
TOTAL LIABILITIES, SHARES, & EQUITY	15,044,910,673	17,306,250,521
NCUA INSURED SAVINGS		
Uninsured Shares	867,842,426	1,146,057,502
Uninsured Non-Member Deposits	2,484,936	1,749,918
Total Uninsured Shares & Deposits	840,327,362	1,147,807,420
Insured Shares & Deposits	12,061,980,097	13,886,777,029
TOTAL NET WORTH	1,801,844,703	1,974,318,560

APPENDIX R: TENNESSEE STATE-CHARTERED CREDIT UNIONS CONSOLIDATED INCOME STATEMENT

	June 2020	June 2021
INCOME AND EXPENSE		
INTEREST INCOME:		
Interest on Loans	255,639,075	263,427,022
Less Interest Refund	(27)	(95)
Income from Investments	15,128,917	7,426,229
Income from Trading	N/A	N/A
Unrealized Gain (Loss) due to change in fair Value of Equity and Trading Debt Securities	-94,449	N/A
TOTAL INTEREST INCOME	270,673,516	270,853,156
INTEREST EXPENSE:		
Dividends	16,747,478	11,894,166
Interest on Deposits	41,660,280	30,340,980
Interest on Borrowed Money	2,044,251	1,707,551
TOTAL INTEREST EXPENSE	60,452,009	43,942,697
PROVISION FOR LOAN & LEASE LOSSES	21,925,870	11,849,330
NET INTEREST INCOME AFTER PLL	188,295,637	215,061,129
NON-INTEREST INCOME:		
Fee Income	40,541,323	41,167,550
Other Operating Income	49,605,339	64,652,140
Gain (Loss) on Investments	N/A	N/A
Gain (Loss) on Equity Securities (DO NOT Include Gain (Loss) on other securities)	98,692	1,776,484
Gain (Loss) on Other Securities (DO NOT Include Gain or Loss on Equity Securities)	66,210	191,659
Gain (Loss) on Non-Trading Derivatives	371,443	184,360
Gain (Loss) on Disposition of Assets	-257,807	2,996,892
Gain from Bargain Purchase (Merger)	6,938	0
Other Non-Oper Income (Expense)	-707,415	-3,307,707
NCUSIF Stabilization Income	0	0
TOTAL NON-INTEREST INCOME	89,724,723	107,661,378
NON-INTEREST EXPENSE		
Total Employee Compensation & Benefits	113,964,986	119,418,155
Travel, Conference Expense	1,238,071	928,906
Office Occupancy	12,541,939	13,168,548
Office Operation Expense	44,152,096	48,618,514
Education and Promotion	6,198,291	6,073,399

Loan Servicing Expense	9,871,398	11,105,202
Professional, Outside Service	16,220,160	16,722,751
Member Insurance	N/A	N/A
Member Insurance-NCUSIF Premium	-729	0
Member Insurance-Temporary Corporate CU Stabilization Fund	N/A	N/A
Member Insurance-Other	70,483	64,965
Operating Fees	1,593,656	1,662,401
Misc. Operating Expense	2,750,390	2,738,648
TOTAL NON-INTEREST EXPENSE	208,600,741	220,501,489
NET INCOME (LOSS) EXCLUDING STABILIZATION EXPENSE AND NCUSIF PREMIUMS	N/A	N/A
NET INCOME (LOSS)	69,419,619	102,221,018
RESERVE TRANSFERS:		
Transfer to Regular Reserve	24,671,652	36,779,219

APPENDIX S: TENNESSEE STATE-CHARTERED CREDIT UNIONS GROUPED BY ASSET SIZE

CREDIT UNION ASSET SIZE RANGE	# OF CREDIT UNIONS - CURRENT YEAR	CURRENT YEAR - TOTAL ASSETS	PERCENTAGE OF CREDIT UNIONS IN GROUP
\$250,000 OR LESS	0	\$0	0.00
\$250,001 TO \$500,000	0	\$0	0.00
\$500,001 TO \$1,000,000	1	\$697,105	1.25
\$1,000,001 TO \$5,000,000	10	\$23,194,257	13.00
\$5,000,001 TO \$10,000,000	5	\$36,053,219	6.50
\$10,000,001 TO \$50,000,000	29	\$821,105,607	37.50
\$50,000,001 TO \$100,000,000	11	\$770,694,080	14.25
\$100,000,001 TO \$200,000,000	7	\$933,579,627	9.00
\$200,000,001 TO \$500,000,000	8	\$2,854,090,763	10.50
\$500,000,001 AND OVER	6	\$14,413,501,923	8.00
TOTAL	77	\$19,852,916,581	100.00

76 Without Corporate Credit Union \$17,306,250,521

APPENDIX T: TENNESSEE STATE-CHARTERED CREDIT UNIONS' ASSETS AS OF JUNE 30, 2021

CREDIT UNION	ADDRESS	CITY	ZIP	STATE	ASSETS
A.U.B. EMPLOYEES'	P.O. BOX 874	ATHENS	37371-0874	TN	\$ 1,822,404
APPLIANCE	P.O. BOX 1057	CLEVELAND	37364	TN	\$ 14,348,198
BCBST EMPLOYEES	1 CAMERON HILL CIR	CHATTANOOGA	37402	TN	\$ 13,654,760
BEACON FINANCIAL	400 N STATE OF FRANKLIN RD	JOHNSON CITY	37604	TN	\$ 26,363,736
BOWATER EMPLOYEES	P.O. BOX 359	CALHOUN	37309-0359	TN	\$ 226,323,807
CEMC EMPLOYEES	P.O. BOX 3300	CLARKSVILLE	37043	TN	\$ 2,486,129
CHATTANOOGA FEDERAL EMPLOYEES	P.O. BOX 22205	CHATTANOOGA	37422-2205	TN	\$ 59,306,465
CITY EMPLOYEES	1720 WESTERN AVE	KNOXVILLE	37921	TN	\$ 102,028,603
CN/IC EMPLOYEES	2005 NONCONNAH BLVD STE 7	MEMPHIS	38132	TN	\$ 8,739,943
COLLEGEDALE	P.O. BOX 2098	COLLEGEDALE	37315	TN	\$ 55,568,601
CONSUMER	3634 E ANDREW JOHNSON HWY	GREENEVILLE	37745	TN	\$ 551,765,725
CORNERSTONE FINANCIAL	P.O. BOX 120729	NASHVILLE	37212-0729	TN	\$ 496,884,993
DIXIE LINE	567 VERITAS ST	NASHVILLE	37211	TN	\$ 12,626,201
EASTMAN	P.O. BOX 1989	KINGSPORT	37662	TN	\$ 6,738,005,219
EMPLOYEE RESOURCES	P.O. BOX 987	LAWRENCEBURG	38464-4455	TN	\$ 127,176,443
ENBRIGHT	2340 JACKSON DOWNS BLVD	NASHVILLE	37214	TN	\$ 80,105,092
EPB EMPLOYEES	1500 MCCALLIE AVE	CHATTANOOGA	37404-2937	TN	\$ 37,819,600
FIRST CHOICE COMMUNITY	100 N 17th St	KNOXVILLE	37921-6750	TN	\$ 46,457,867
FIRST SOUTH FINANCIAL	6471 STAGE RD STE 200	BARTLETT	38134	TN	\$ 760,849,290
GALLATIN STEAM PLANT	1499 STEAM PLANT RD.	GALLATIN	37066	TN	\$ 6,157,378
GATEWAY	100 OTIS SMITH DR	CLARKSVILLE	37043-8939	TN	\$ 13,132,736
GREATER EASTERN	P.O. BOX 5130	JOHNSON CITY	37602	TN	\$ 60,887,477
GREENEVILLE CITY EMPLOYEES'	310 S MAIN ST STE 3	GREENEVILLE	37743-6176	TN	\$ 12,109,241
GREENEVILLE WORKS EMPLS. SAV. ASSN.	2745 SNAPPS FERRY RD	GREENEVILLE	37745	TN	\$ 1,914,138
HAPPY VALLEY	P.O. BOX 1838	ELIZABETHTON	37644	TN	\$ 40,533,130
HARDIN COUNTY HOSPITAL EMPLOYEES	935 WAYNE RD	SAVANNAH	38372	TN	\$ 1,132,616
HEALTHCARE SERVICES	946 E 3RD ST	CHATTANOOGA	37403-2101	TN	\$ 23,838,063
HERITAGE SOUTH COMMUNITY	P.O. BOX 1219	SHELBYVILLE	37162	TN	\$ 298,956,660
HOLLEY	P.O. BOX 398	PARIS	38242	TN	\$ 73,766,264
HORIZON	1201 N EASTMAN RD	KINGSPORT	37664-3163	TN	\$ 62,057,421
HURD EMPLOYEES	200 W CHURCH ST	GREENEVILLE	37745-3806	TN	\$ 3,714,162
JACK DANIEL EMPLOYEES	P.O. BOX 199	LYNCHBURG	37352	TN	\$ 42,809,504
JOHNSONVILLE TVA EMPLOYEES	209 HIGHWAY 641 N	CAMDEN	38320	TN	\$ 133,081,107
KIMBERLY CLARK	1520 N 2ND ST	MEMPHIS	38107-1004	TN	\$ 128,819,830
KINGSPORT PRESS	528 W CENTER ST	KINGSPORT	37660	TN	\$ 83,282,762
KINGSTON TVA EMPLOYEES	714 SWAN POND RD	HARRIMAN	37748	TN	\$ 2,414,698
KNOX CO. EMPLOYEES	400 W MAIN ST RM 355	KNOXVILLE	37902	TN	\$ 11,951,946
KNOXVILLE TVA EMPLOYEES	P.O. BOX 36027	KNOXVILLE	37901	TN	\$ 3,224,509,060
LAKESIDE EMPLS.	1008 BROADWAY	NEW JOHNSONVILLE	37134	TN	\$ 42,241,876

LEADERS	87 MURRAY GUARD RD	JACKSON	38305	TN	\$	591,706,569
LIFE	2004 Hayes Street STE 120	NASHVILLE	37203-2078	TN	\$	41,615,917
LIFEWAY	1 LIFEWAY PLAZA STE 20	NASHVILLE	37234	TN	\$	48,284,803
LOWLAND	622 W 1ST NORTH ST	MORRISTOWN	37814	TN	\$	127,439,167
M.P.D. COMMUNITY	2711 OLD LEBANON RD	NASHVILLE	37214	TN	\$	33,571,345
MARYVILLE MUNICIPAL	321 W BROADWAY AVE	MARYVILLE	37801	TN	\$	19,501,786
MCNAIRY COUNTY EMPLOYEES	P.O. BOX 867	ADAMSVILLE	38310-1931	TN	\$	1,783,945
MEMORIAL	6800 LONGVIEW RD	CHATTANOOGA	37421	TN	\$	8,614,654
MEMPHIS CITY EMPLOYEES	2608 AVERY AVE	MEMPHIS	38112-4821	TN	\$	430,382,660
METROPOLITAN TEACHERS	1605 JEFFERSON ST	NASHVILLE	37208	TN	\$	2,708,154
NASHVILLE FIREMEN'S	908 WOODLAND ST	NASHVILLE	37206	TN	\$	30,724,154
NASHVILLE POST OFFICE	P.O. BOX 291233	NASHVILLE	37229	TN	\$	73,140,172
NEW SOUTH	3261 N MALL RD	KNOXVILLE	37924	TN	\$	71,992,179
NORTHEAST COMMUNITY	980 JASON WITTEN WAY	ELIZABETHTON	37643	TN	\$	169,878,903
O.M.C. EMPLOYEES'	P.O. BOX 828	CHARLESTON	37310	TN	\$	32,164,625
OLD HICKORY	P.O. BOX 140478	NASHVILLE	37214	TN	\$	300,163,641
OLIVET BAPTIST	10000 WOODLAND HILLS DR	CORDOVA	38018	TN	\$	697,105
P.I.A.S.	305 PLUS PARK BLVD	NASHVILLE	37217	TN	\$	5,731,481
PATHWAY	P.O. BOX 2035	CLEVELAND	37320	TN	\$	6,809,763
PATRIOT EQUITY	1450 UNION UNIVERSITY DR	JACKSON	38305	TN	\$	32,576,310
SCENIC COMMUNITY	4503 HIXSON PIKE	HIXSON	37343	TN	\$	145,155,574
SKYLINE	3443 DICKERSON PIKE #G10	NASHVILLE	37207-2528	TN	\$	18,367,715
SMART CHOICE	1075 BLYTHE AVE SE	CLEVELAND	37311-2948	TN	\$	3,831,825
SOUTHEAST FINANCIAL	220 SOUTH ROYAL OAKS	FRANKLIN	37064	TN	\$	443,400,358
SOUTHERN	P.O. BOX 3490	CHATTANOOGA	37404	TN	\$	25,394,030
ST. THOMAS	4230 HARDING PIKE STE 103	NASHVILLE	37205	TN	\$	33,466,854
TN DEPT OF SAFETY	1150 FOSTER AVE	NASHVILLE	37243-4400	TN	\$	10,655,556
TENNESSEE EMPLOYEES	P.O. BOX 198617	NASHVILLE	37219-8617	TN	\$	31,630,357
THE CREDIT UNION FOR ROBERTSON COUNTY	2416 MEMORIAL BLVD	SPRINGFIELD	37172	TN	\$	74,677,461
THE TENNESSEE	1400 8TH AVENUE SOUTH	NASHVILLE	37203	TN	\$	399,189,552
THE WEST TENNESSEE	13690 Hwy 51 South STE 107	Atoka	38004	TN	\$	19,480,885
TNCONNECT	P.O. BOX 52990	KNOXVILLE	37950	TN	\$	75,910,186
UPS EMPLOYEES	1814 E BROOKS RD	MEMPHIS	38116	TN	\$	35,388,629
US COMMUNITY	P.O. BOX 140570	NASHVILLE	37214	TN	\$	258,789,092
VANDERBILT	P.O. BOX 128426	NASHVILLE	37212	TN	\$	48,840,114
VOLUNTEER CORPORATE	2460 ATRIUM WAY	NASHVILLE	37214	TN	\$	2,546,666,060
WCG EMPLOYEES	P.O. BOX 284	MARTIN	38237	TN	\$	1,386,186
YOUR BEST	26 CENTURY BLVD, STE 3	NASHVILLE	37214-3683	TN	\$	21,555,669